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ABSTRACT

This report is intended to assist Federal City College's administration in making decisions regarding the growth and development of the athletic program. The first section is an introduction which explains the purpose of the report. The second section focuses on intercollegiate athletics at Federal City College. The section contains information on the status and trends of intercollegiate athletics, goals and highlights of Federal City College athletes in the academic year 1972-73, and estimates of the eligible student population. In the third section, a comparison of trends at Federal City College with national trends is presented. This section includes student participation and staffing patterns, and comparison of revenues, expenditures, and trends in revenues and expenditures. The final section liscusses projected growth for the 1980's. Tables and charts are included throughout the report. (RC)

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FEDERAL CITY COLLEGE'S INTERCOLLEGIATE ATHLETIC PROGRAM AND ITS PROSPECTS FOR CHANGE

August 1974

Office of Institutional Research
Office of Academic Affairs and Provost
FEDERAL CITY COLLEGE

CE 010 075

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Federal City College's Intercollegiate Athletic Program
and Its Prospects for Change

Federal City College, Office of Institutional Research
July 1974

ABSTRACT

At the request of the Acting President of Federal City College, the Office of Institutional Research undertook the task of reviewing intercollegiate athletics at FCC. This report is in response to the Acting President's request and is intended to assist FCC's administration in making decisions regarding the growth and development of the athletic program.

To obtain an objective and comprehensive concept of intercollegiate athletics at the College, data were collected on the program's history and its current status. These data were, in turn, contrasted with information from athletic programs from comparable institutions.

The athletic program at FCC has made substantial progress and many accomplishments since its inception. It has had an increase in student participation, staff, and sports. An incentive awards program has been established for the athletes, and the department has received recognition from the news media. The program has also continuously received financial support from the local government and through student fees.

As is the case of emerging athletic programs, FCC's program is also confronted with certain problems. Problems that warrant immediate consideration at FCC are in the areas of recordkeeping, leadership and management, measuring program's outcomes, and the opportunities for women to participate in sports.

A determination of similarities between FCC's athletic program and programs operated elsewhere was made possible with the use of NCAA secondary data. This comparative analysis was concentrated on student participation, staffing, cost factors, and sources of revenues. Techniques such as stepwise regression and linear projection were applied

to develop a model capable of estimating the expected level of expenditures at FCC in light of future enrollment expectations. Alternative plans specifying possible courses of action to arrive at revenue by source to support anticipated levels of expenditures in the 80's are presented. A plan for raising revenues was constructed on the basis of the pattern of total revenues required to meet projected expenditures of $245,000 in 1974 to about $385,000 in 1980. This plan is recommended for implementation at FCC to guide the development of the program during the next 6 years. In this plan, the principal sources of funding athletics are student fees and the local government. However, income from other sources (i.e., ticket sales, guarantees and options, concession sales, and advertisement) commonly used by self-supporting athletic programs are also recommended for expansion. The feasibility of implementing this plan appears highly encouraging due to the gradual and consistent shift of financial burden from FCC's institutional budget (derived from the local government) to revenues obtained from the athletic events. The plan further relies on the condition that the projected competitive status of FCC's program materializes as planned and an effectual public relations office communicates these accomplishments to FCC's student body, alumni, friends, and the general public.

If the Athletic Department succeeds in raising funds as anticipated, the other critical area which has to be managed and controlled wisely by the athletic director and the athletic committee is the allotment of funds to the various program priorities.

Our analysis revealed that FCC's program priorities as manifested in the proportions spent on the various expense categories appeared to be unlike the sample institutions. For instance, FCC spent four-fifths of its funds on personnel salaries and benefits, while other institutions spent only one-third of their funds for this purpose. Furthermore, the sample institutions devoted 32% of their income on grants and subsidies to students in contrast to the 2% spent by FCC. In view of this disparity, the expenditure plan suggested for implementation at FCC shifts the financial emphasis from personnel interest to student involvement. The expenditure plan also takes into consideration such factors as the high cost of living in D.C., difficulties in keeping competitive salaries to maintain the necessary personnel to build the program, and the promotional efforts required to attract and maintain exceptional students.

Within the purview of FCC's goals and objectives, policy makers entrusted with the task of planning the future of the athletic program should deliberate on the following observations and recommendations:

a) Although about a third of the student body is eligible to participate in sports, only a small percentage of this group actually participate in intercollegiate athletics. This participation rate suggests the need for a scheme to encourage male and female students to take advantage of the athletic program.

b) Honoring of students for outstanding performances in sports and academic accomplishments by awarding trophies should be continued and financial grants should be given in order to encourage greater participation among students in athletics and to improve the teams' performances.

c) The director, who is entrusted with the main responsibility of building the program, should be employed on a full-time basis. He should be innovative in directing various aspects of the program, i.e., business procedures, athletic events, delegating responsibilities to support staff, upgrading public relations activities which will improve interaction between the department and the community, and the employing of scouts to recruit exceptional athletes.

d) A system of recording student and community participation in sport-related activities should be developed and implemented to provide an objective basis for assessing departmental performance so that the quality and quantity of services can be improved.

e) Considerable difficulties were encountered in collecting data on the Athletic Department. Many of these could be reduced, if not eliminated, if the necessary measures are taken to establish a comprehensive and modernized system of recording events, revenues, and expenditures.

f) Elicit the cooperation and assistance of other units within the College (e.g., Accounting Office, Public Affairs Office, etc.) to solve some of the special problems that are peculiar to managing athletics rather than relying on the expertise of the athletic director.

g) Adhere to departmental and institutional policies to expedite the implementation of resolutions enacted by the D.C. Board of Higher Education.

I. INTRODUCTION

I. Introduction

In response to the request of the Acting President of Federal City College, the Office of Institutional Research has examined the extent of the "effect" of intercollegiate athletics at the college. Patterns of the growth and development of the department since its inception are presented as part of the analysis. It is hoped that this data as well as information regarding athletic programs in general will provide FCC's administration with an objective analysis that will assist them in decision making concerning the future of the athletic program.

In order to obtain a realistic concept of FCC's athletic program during the past, its present status, and its prospects for change, OIR investigated areas pertinent to the program's operation. The areas examined were related to sources of funding, cost data, and participation trends among the students as well as the community. We have also presented an objective assessment of the current status of FCC's intercollegiate athletics based on earlier trends related to student participation, staffing, expenditures, revenues, and its relationship with the community.

A comparative analysis was made between FCC and sample colleges of the various divisions[1] of the National Collegiate Athletic Association

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[1]Mitchell Raiborn, An Analysis of Revenues, Expenses and Management of Intercollegiate Athletic Programs (Kansas City, Mo.: National Collegiate Athletic Association, 1970) pp. 10-11. Raiborn grouped these divisions as: Class A - university division football members. Class B-college division football members; Class C - colleges less competitive in football; Class D - nonparticipants in intercollegiate football but are major competitors in basketball; and Class E - other colleges.

(NCAA) to assist us in evaluating the current status of the College's program. Based on the analysis of the collected data, we have established guidelines that may be beneficial to FCC's administration in planning for the future of our intercollegiate athletic program.

A review of emerging trends of intercollegiate athletics at the national level indicates:

- rising costs and declining revenues;
- changing attitudes of students and the community;
- new educational priorities vying for the same tax dollar;
- special problems particularly associated with recruiting athletes;
- the win-at-all cost principle; and
- the practice of sharing physical facilities to maximize the use of limited resources.

Causes of and expectations of changes to come regarding each trend are discussed below. It is hoped this information will provide further insight concerning future directions for FCC.

At present and in the past decade, intercollegiate athletics have consistently suffered from rising costs and decling revenues in the majority of institutions; this is particularly true of football. A comparative study made by Raiborn on a national sample of 277 institutions revealed that costs consistently exceeded revenues for all five NCAA groups examined. For example, among institutions (Class B colleges) comparable to FCC, the study showed that the average total revenue for athletic programs increased by 140% between 1960 and 1969 while the average total expenses rose 174%.[1] More recent reports indicate that

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[1]Raiborn, op.cit., pp. 31,89. Raiborn also noted that over 70% of the total athletic budget was spent on two sports, football and basketball.

the incomes of the athletic programs, while on the rise, have not kept pace with rising costs.[1] Efforts to reduce operational costs have been unsuccessful.

Factors contributing to the high cost of operating athletic programs were: physical expansion; increased activities for more athletes; higher salaries for personnel caused by the inflationary spiral; grants-in-aid; and travel accommodations.

In relation to revenue, Raiborn reported that between 36% and 46% of the average total revenues for programs similar to FCC's were derived from student activity fees for athletic admissions.[2] Proceeds from ticket sales was another significant source of revenues. However, the proceeds from ticket sales declined from 27% of the total revenue in 1960 to 20% in 1969.

Both the students' and the community's attitudes toward athletics are determined by practices that directly or indirectly affect them. As noted by Starnes, many young athletes are adversely affected by the hard-sell tactics of coaches, administrators, and directors. The rising cost of higher education puts pressure on colleges to support programs which offer maximum benefits to students and to consider their demands

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[1]Richard Starnes, "Colleges Exhausting Ways to Cope with Rising Sports Costs," Chronicle of Higher Education (October 1, 1973), p.6.

[2] Raiborn, op. cit., p.36.

when establishing priorities for allocating funds to the various sectors of the institutions. Programs that directly benefit the majority of students (e.g., health programs and adult education) have higher priorities than those that benefit only a few. The attitudes of the students and community are changing not "because there is a movement on campuses to undermine athletics"[1] but because the allocation of dollars for athletics and other programs is being confronted with accountability.

The role of women in college athletics may be expected to increase over the next decade. Issues of discrimination against women in sports have brought reactions from students and the community. Neither the National Collegiate Athletic Association nor the National Association of Intercollegiate Athletics (NAIA) has programs for women comparable to those organized for men. On the problem of discrimination, an outstanding female athlete in a hearing on Capitol Hill noted:

> "If sports provide such valuable training in self-discipline and pursuit of excellence why is it that such benefits are only extended to 49 percent of the population ... why is it that women's sports programs in the public school receive only about 1 percent of which men's programs receive ...? [2]

There is growing interest in women's athletics despite past dominance of and preference for athletic programs for men.[3] Women are actually the prime movers demanding the change. Outstanding women athletes like

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[1]Richard Starnes, "An Unprecedented Economic and Ethical Crisis Grips Big-Time Intercollegiate Sports," Chronicle of Higher Education (September 24, 1973), p.1.

[2]"Billie Jean King Tells Senator of Bias in School Sports," The Chronicle of Higher Education (November 19, 1973), p.5.

[3]"Locker Room Lib," Time, March 11, 1974, p.73.

Billie Jean King, and Charlise Brown, a Yale University coed who shattered a 122-year-old Yale sport tradition by joining its all male diving team, and advocators of women's liberation have focused attention on developing more competitive and nondiscriminating programs for women. The Women's Liberation Movemen has placed emphasis on freedom of expression, competitiveness physical fitness, confidence, and self-identitty. However, other essential factors are forcing changes and creating opportunities for programs to receive more recognition. For example, Title IX of the U.S. Education Amendments of 1972 forbids sex discrimination in any institution receiving federal funds. Some states such as New Jersey and Iowa have widely opened their doors to women athletic programs by offering fair distribution of funds, sports programs, and facilities for practicing. A few universities such as the University of Michigan, Harvard-Radcliffe, and Colby College have made strides in being more democratic towards women athletes. The University of Michigan is offering more scholarships to women than it has in the past; a woman is the assistant sport director at Harvard-Radcliffe. At Colby College, the women's hockey team has existed for two years- but unlike the men, the women pay for their own uniforms and part of their equipment.

Intercollegiate athletics are also faced with such special problems as recruiting and the win-only-philosophy. Ideally, as in other fields in higher education, all athletic programs subscribe to the pursuit of excellence. By the same token, intercollegiate athletics have to vie for scarce public and private funds to maintain standards of excellence.[1]

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[1]Asa S. Knowles, "Intercollegiate Programs" Handbook of College and University Administration (N.Y.: McGraw-Hill, 1970), p. 8-29. See also Edward S. Steitz, ed. Administration of Athletics in Colleges and Universities (Washington, D.C., American Association for Health, Physical Education and Recreation 1971), p.3.

Between rising costs and declining community interest, intercollegiate athletics are facing an unprecedented economic and ethical crisis.

Historically the widespread corrupt practices in hiring coaches, recruiting athletes, and operating intercollegiate programs have tarnished the excellence of intercollegiate athletics. Other abuses associated with recruitment of athletes are erroneous certification of academic eligibility, falsification of test scores, and forgery of high school transcripts.[1]

The combined effect of moral and economic crisis has produced a two-pronged philosophy that shapes the future of intercollegiate athletics. There is a win-at-all-cost philosophy in sports at prestigious colleges and universities, e.g., UCLA, Indiana University, the University of Tennessee, and the University of Oklahoma.[2] Some programs find such revised philosophy means a million dollar sports program with substantial profits. Most schools cannot compete with such a philosophy without incurring increasing costs or terminating intercollegiate programs. The second, perhaps more desirable philosophy, is to build a program for producing men and women of "character" irrespective of games lost or won. For such schools, increasing reliance on institutional support is common.

Responses concerning the extent of institutions' financial support among Class B institutions revealed that financing operating deficits was considered one of their lowest priorities as opposed to absorbing selected expenses and sustaining nonrevenue sports.[3]

Another aspect of athletics which OIR investigated was the growing trend in joint use of facilities by the communities and the school systems.

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[1]Raiborn, op.cit., p.208.

[2]Larry Van Dyke, "Oklahoma Sooners: A Football Giant's Fall from Grace", The Chronicle of Higher Education, September 10, 1973, Vol. VII, No.42, p.1.

[3]Richard Starnes, "Colleges Exhausting Ways to Cope with Rising Sports Costs," op. cit., p. 5.

This trend is likely to improve school-community relations and to help reduce the rising cost of providing facilities for intercollegiate programs such as athletics. The Thomas Jefferson Jr. High School and Community Center of Arlington County[1]; the John F. Kennedy School and Civic Center in Atlanta, Georgia; the Flint, Michigan Public Schools and Community Center; the University of California and Irvine County Civic Center are a few of many facilities the communities and school systems are using jointly. In a recent publication of the Educational Facilities Laboratory in New York City, it was stressed that joint use of facilities has brought about closer relations between the communities and the school systems. Many other public agencies have collaborated to underwrite joint facilities.[2]

Section II of this report presents the current status and historical trends on the various components of FCC's athletic program. Areas examined are student participation, staffing, expenditures and revenues, and relations of the program with the D.C. community. Since the operational aspects of an athletic program should be highly determined by the type and size of student involvement, estimates of the eligible student population to be served have been provided for planning purposes. The range of eligible male and female students was estimated based on enrollment trends, academic requirements for intercollegiate competition as stipulated by

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[1]Telephone interview with K.G. Buglass, Director of Facilities, Arlington County, Virginia, March 11, 1974. Buglass stated that the Thomas Jefferson Jr. High School Community Center which cost $6 million to build, with 232,000 square feet of space, a theatre with a seating capacity of 750, adult education classes, and a gymnasium could not have been built without community interest and finance.

[2]Educational Facilities Laboratory, Community/School: Sharing the Space and the Action (New York: Educational Facilities Laboratory, 1973)

NCAA and NAIA, and the characteristics of student athletes by age and sex.

Section III is devoted to the comparison of trends at FCC with national trends. The analytical relationship between what transpired at FCC since the inception of the program was contrasted with the directions indicated by studies on comparable colleges. The comparative analysis concentrated on student participation, staffing,cost factors, and sources of revenues.

Section IV summarizes the special features of FCC's program on which its prospects for growth are highly dependent. This provides insight in determining the size and scope of the program for short- and long-range planning. The revenue required as well as the corresponding amount of expenditure per student expected has been estimated. Recommendations relevant to major problems as record keeping, leadership and management of the programs, the necessity of measuring evidence of success as well as the use of self-evaluation and survey mechanisms have been presented.

II. INTERCOLLEGIATE ATHLETICS AT FEDERAL CITY COLLEGE

II. A. Status and Trends of Federal City College's Athletic Program

The current status and some of the historical trends of intercollegiate athletic activities at Federal City College are presented in this section. This was undertaken to provide a backdrop of what has transpired at FCC since its inception which could become the basis for planning the Department's growth and development.

The Office of Institutional Research primarily collected data from the Athletic Department. Since some of the essential data could not be obtained from that department, particularly that pertaining to its early years of operation, we found it necessary to enlist the assistance of other departments and units within the college. For example, the list of students eligible to participate in athletics was obtained from the Registrar's Office. Specific data on the cost of operation and sources of revenues were gathered from the records of the Budget Office, the Cashier's Office, the Accounting Office, and a special report by the Athletic Committee entitled "Athletic Department's Financial Management and Planning". We believe the assembled data represent the most accurate and up-to-date information available. However, as will be seen later in this section, gaps concerning financial aspects of the athletic program remain.

Staffing and Student Participation

The growth and development of the Athletic Department during the past 4 years is shown in Table 1. Also shown in this table are the number of sports offered, the number of students directly involved in

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[1]Administrators of the Athletic Department stated that records have not been maintained or are nonexistent for FY 1969-FY 1971.

Table 1

Primary Components of FCC's Athletic Program, FY 1969-70 through FY 1972-73

Component	Fiscal Year 1970	1971	1972	1973
		Number		
Sports				
For males	4	5	7	6
For females	2	2	2	2
Total	6	7	9	8
Athletes (Gross)				
Gross				
Males	44	95	117	105
Females	27	27	27	27
Total	71	122	144	132
Athletes (Net)				
Males	44	70	101	65
Females	27	27	27	27
Total	71	97	128	92
		Percent		
Participation Rate Among Full-Time Males				
Gross	3.7	6.6	7.4	5.3
Net	3.7	4.8	6.4	3.3
		Number		
Coaches				
For males				
Full-time	--	--	2	2
Part-time	2	3	8	10
Total	2	3	10	12
For females				
Total (Part-time)	1	1	1	1
Total (Both Sexes)	3	4	11	13
Administrative Personnel	2	4	5	5

Source: Data provided by Mr. James McCannon, Athletic Department, Federal City College, during personal interview Jan. 22, 1974.

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athletic activities as well as the number of coaches and administrative personnel.

During FY 1973, the department offered eight sports. There was a total of 105 males and 27 females participating in the various activities. The total proportion of undergraduate males participating during this period was 5.3%.[1] Twelve coaches were responsible for training the male athletes; however, only one coach was assigned to train the female athletes. There were five administrative personnel.

The number of sports offered in the past 4 years grew from 6 to 9, and the total number of coaches and administrative staff increased from 5 to 18 during the same period.

The pattern of male participation rate seemed to have fluctuated. In 1970, this rate was as low as 3.7%; in 1972, it attained its highest point of 7.4%; in 1973, it declined to 5.3%. The increasing number of sports being offered at FCC and the fact that about 93% of the student body satisfy the GPA requirement[2] of 2.0 for participation in athletics suggest that strategies should be designed to encourage greater involvement of the students as potential athletes.

Revenues and Their Sources

In reviewing the current status and trends of revenues earmarked

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[1]Gross (total) numbers of athletes include athletes playing one or more sports in the same period of reference. Since the NCAA and the NAIA have been organized to serve male-oriented sports and the majority of activities offered at FCC are for males, this paper will concentrate its comparative analysis on those related to male athletes. The male participation rate was computed by the following formula:

$$\text{Student Participation Rate} = \frac{\text{number of athletes in year T}}{\text{avg. annual enrollment in yr.T}} \times 100$$

[2]See Table 2, Appendix A.

for intercollegiate athletics, we based our analysis on receipts from the sources defined by the American Council of Education[1] and as applied in Raiborn's study of revenues among NCAA member institutions. Questionnaires used to collect data for revenues by sources from the Athletic Department and other departments and units within the college are attached as Appendix C (Forms 1,2, and 3).[2] Results of intensive efforts to gather revenue data are shown in Table 2. However, the extensive information which we had hoped to acquire was not realized because of the absence of records.[3]

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[1] Revenues include charges made to students, sponsors, and others for services rendered, gains from the sale or exchange of fund assets, interest and dividends derived from investments, and other receipts intended to support current operations, such as gifts and appropriations - American Council on Education, College and University Business Administration, revised ed., 1968, pp. 281,282.

[2] Specific data on sources of revenues requested from the Athletic Department included: ticket sales; student activity fees; guarantees and options; concession rentals and sales; program advertising and sales; parking revenues; contributions from alumni and others; broadcasting and sponsors' fees received directly from the media, including television; distributions from conferences or other associations; revenues from post-season games and special events; income from permanent investments; and direct state or other governmental support.

[3] The amount of time spent collecting data, contacting units, and the difficulties encountered are described in the following memoranda: a) memo to Ronald Williams from Ken Gramza concerning FCC's Athletic Department, dated Jan. 23, 1974 and Feb. 1, 1974; b) memo to Dr. Elgy Johnson from Ken Gramza on "Authorization for Members of Institutional Research to See Reports on the Athletic Department", Feb. 4, 1974; c) memo to Ken Gramza from I.P. Ojinnaka on "Conversation with Director of Athletic Department Regarding Inquiry Made by OIR", Feb. 4, 1974; d) memo to Curtis Moore from Ken Gramza on "Revenue Data for the Athletic Department", Feb. 6, 1974; e) memo to Ken Gramza from A. Diaz, I Ojinnaka, and Joyce Johnson on "Meeting with Dr. Barnes and Mr. McCannon on the Revenues and Expenditures of FCC's Athletic Department, FY 1969- FY 1973", Feb. 7, 1974; and f) memo to Curtis Moore from Ken Gramza on "Expenditure Data for the Athletic Department", April 19, 1974.

Table 2

Distribution of Revenues Received as Percentage of Total Revenues by Main Sources, Federal City College, Athletic Department. FY 1969-70 through FY 1972-73

Component	Fiscal year 1969-70	1970-71	1971-72	1972-73
	Dollars			
Ticket sales and guarantees and options	--	1,200	2,883	5,979
Student fees	--	20,506	97,762	109,259
D.C. Government	60,300	89,850	103,668	120,439
Total revenues	60,300	111,556	204,313	235,677
	Percent of total revenues			
Ticket sales and guarantees and options	--	1.1	1.4	2.5
Student fees	--	18.4	47.8	46.4
D.C. Government	100.0	80.5	50.8	51.1

Sources: Ticket sales plus guarantees and options reported by Mr. James McCannon, Athletic Department, Federal City College,during personal interview Feb.5,1974. Amounts obtained from student fees reported by Mr. Norman Adams, Cashier's Office, during telephone interview Feb. 7, 1974. Allotments from the District Government recorded in FCC's Financial Information System, Operating Budget Summary, Fiscal Year 1973; FCC's Budget Allocation and Obligations Reports for Fiscal Years 1969-70 through 1972-73.

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Table 2 indicates that the three main sources of FCC's revenue for athletics were ticket sales plus guarantees and options, student athletic fees, and direct subsidies from the District Government. In 1973, a total revenue of $236,000 was raised for the funding of athletics. Of this amount, 51% was obtained from the District Government, 46% from student activity fees, and 3% from ticket sales and guarantees and options. Table 2 also shows that the payment of quarterly athletic fees per enrollee, which started in 1971, has drastically reduced FCC's dependency on direct state support.[1] When taken as a proportion of total revenues, amounts derived from student fees alone rose from 18% in 1971 to as high as 48% in 1972.

Expenditures

In analyzing the expenditures[2] of the athletic program, we examined the following categories:

- salaries, wages and fringe benefits;
- travel and transportation;
- rent, communication, and utilities;
- printing and reproduction;
- other contractual services;
- equipment and supplies;
- grants and subsidies; and
- undefined categories.

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[1] Commitments of members of the D.C. Board of Higher Education to athletics is indicated in the results of an OIR study where they rated Excellence in Intercolligate Athletic Competitions to be of medium importance. (See FCC's Objectives and Responsibilities As Perceived By Members of the D.C. Board of Higher Education Through the IGI Instrument, Office of Institutional Research, Jan. 11, 1974, p. 4.)

[2] Raiborn, op. cit., p. 31. Raiborn excludes debt service charges and capital expenditures from total expenses.

Questionnaires used to gather detailed expense data[1] for previous years are attached as Appendix C (Forms 1 and 2). The limited data collected on expenditures by purpose are summarized in Table 3.

Funds expended by the Athletic Department for salaries, wages and fringe benefits ranged from 72% in 1971 to as low as 45% in 1973. The expense category that ranked second was other contractual services such as insurance, advertising, fees for professional and miscellaneous fees, repairs and maintenance, and services performed by other District agencies. Total expenses for other contractual services alone rose from 14% in 1971 to as high as 35% in 1973. As for the other expense categories (i.e., travel, rent and utilities, printing and reproduction, equipment and supplies, grants and subsidies and undefined items), the accumulated proportions started as 14% in 1971 and increased to 19% in 1973.% in 1973.

Revenues vs. Expenditures

One of the main responsibilities,[2,3] of an athletic director is to

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[1]Data requested from the Athletic Department on expenditures included: grants-in-aid, guarantees and options; coaches salaries, athletic director's and other administrative personnel's salaries; trainers', and managers' salaries; clerical and secretarial staff's salaries; payments to tutors; payments to guards, and funds expended for other contractual services; retirement and fringe benefits; maintenance of buildings and grounds; team travel, meals, rooms; scouting and recruiting; uniforms, equipment, supplies, utilities; printing and publication, advertising, subscriptions and dues for membership associations.

[2]The athletic director's role in preparing and administering an athletic budget is well described in Barratt's statement: "The College Athletic Director has many responsibilities, but underlying all the operations of his unit are the financial considerations. He must have the funds to carry on the program envisioned by the university and he must spend them in keeping with the regulations and limitations set by the institution's over-all business policies." - James G. Barrat, "Business Procedures", Administration of Athletics in College and Universities, edited by Edward S. Steitz (Washington, D.C.: National Association of College Directors of Athletics and Division of Men's Athletics, American Association for Health, Physical Education, and Recreation, 1971).

[3]Business management of an athletic program has also been added

Table 3

FCC's Total Obligated Expenditures by Main Expense Categories,
FY 1971 through 1973

Object of Expenditure	Total Expenditures: Amount of Expenditures 1971	1972	1973	Percent Distribution 1971	1972	1973
Salaries, Wages & Benefits	$ 66,682	90,424	99,280	71.7	47.2	45.2
Travel	2,293	10,852	16,110	2.5	5.7	7.3
Rent & Utilities	2,520	7,593	8,371	2.7	4.0	3.8
Printing & Reproduction	159	2,469	92	0.2	1.3	(a)
Other Contractual Services	12,816	67,918	77,857	13.8	35.4	35.4
Equipment & Supplies	8,506	12,358	6,052	9.1	6.4	2.8
Grants & Subsidies	- -	- -	3,996	- -	- -	1.8
Undefined	- -	- -	8,236[b]	- -	- -	3.7
Total	92,976	191,614	219,994	100.0	100.0	100.0

[a]Less than 1%.

[b]Includes $3,000 for guarantees and options paid.

SOURCES: Reports of the "Government of the District of Columbia Summary Obligations and Expenditures" on appropriations from D.C. Budget and Trust Fund Accounts. Same as Table 5.

manage the business aspects of his program. Whether the program is financed through the institution's educational and general budget or through ticket sales, guarantees and options, and other outside support, it is his obligation to gain financial support for the program.

In order to examine the financial status of FCC's Athletic Program, we have compared annual revenues with obligated expenses to illuminate any surpluses or deficits incurred. Since most of the department's revenues (97%) are either appropriated from the District budget or collected as student fees, we have confined this part of the analysis to the amounts reported from these two sources.

Annual total revenues collected consistently exceeded the obligated expenditures. Table 4 indicates that the funds of the Athletic Department have increased from $60,000 in FY'70 to as much as $229,000 in FY'73. Its total expenditure has likewise proportionally grown (from $60,000 to $219,000) for the same period.

Appropriations from the District budget are earmarked for salaries wages and fringe benefits; travel; other contractual services; and equipment and supplies. Surplus funds have to be returned to the District Government at the end of each fiscal year. On the other hand, funds obtained from student fees are designated for operating expenses such as travel; rent, communication, and utilities; other contractual services; equipment and supplies; grants and subsidies, and other expenses peculiar to operating an athletic program (i.e., recruiting and scouting). Funds collected from student fees are deposited in a trust fund account and are

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to the areas of competence required of directors of athletic programs as recently defined by the Joint Committee from the Division of Men's Athletics of American Association for Health, Physical Education, and Recreation, and the National Association for Collegiate Directors of Athletics, - Knowles, Op. cit., pp. 8-10.

Table 4

FCC's Actual Revenue From D.C. Government and Student Fees Compared to Expenditures as Obligated Annually, FY 1970 Through 1973

	D.C. Budget[a]			Student Fees[b]			Total[c]	
FY	Appropriated	Obligated Expenditures	Difference	Collected	Obligated Expenditures	Difference	Revenue	Obligated Expenditures
1970	$ 60,300	$60,300	$ 0	n.a.	n.a.	n.a.	$60,300	$60,300
1971	89,850	86,114	+3,736	$20,506	$6,862	$+13,644	110,356	92,976
1972	103,668	103,424	+ 244	97,762	88,190	+ 9,572	201,430	191,614
1973	120,439	107,060	+13,379	109,259	112,934	- 3,675	229,698	219,994
Total	374,257	356,898	(d)	227,527	207,986	+19,541	601,784	564,884

SOURCES:

[a]Appropriated funds from D.C. Budget were based on annual reports of the Budget Office on FCC's Allocation and Obligation Reports for the Athletic Department, FY 1970 through 1972; FY '73 was based on FCC - Financial Information System Operating Budget Summary, June Final as of January 14, 1974, p. 0213.

Obligated funds from D.C. Budget were based on Government of the District of Columbia Summary Obligations and Expenditures: FY 1972 and FY 1973 based on reports as of March 31, 1974; FY 1971 - computed by using the first 3 quarters reported on the Fourth Quarter FY '71 Budget Allocation Report plus the 4th quarter amount reported on the June 31, 1973 final report of the Accounting Office; FY 1970 used the figures, on the FY '70 Operating Budget since this was not available from the Accounting Office.

[b]Amounts collected from student fees as provided by Mr. Norman Adams, Cashier's Office from a telephone interview on February 7, 1974.

Obligated funds from student fees' account were obtained from the Government of the District of Columbia Summary Obligations and Expenditures June Final Reports for each year: FY 1971 - p. 2283; FY 1972 - pp. 2047 - 2049 and FY '73 - pp. 3558 - 3562.

[c]Excludes revenues derived from ticket sales ($2,883 for FY '72 and $2,979 for FY '73) and also guarantees and options received from football ($1,200 in FY '71 and $3,000 in FY '73).

[d]Unexpended funds are returned to the D.C. Government at the end of each fiscal year.

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disbursed as stipulated in the D.C. Board of Higher Education[1] resolutions.

A perusal of the columns on differences between appropriated funds and obligated expenditures from the District budget in Table 4 documents surpluses returned to the District Government annually. Similarly, surplus funds were also reported from student fees collected. The accumulated balance between collected fees and expenses from this source was about $19,000 at the end of FY'73.

A further breakdown of disbursements by main purpose is displayed in Table 5. Data indicate that a substantial amount of D.C. budget monies are used for salaries and wages for personnel of the Athletic Department. The amounts spent by the District on wages and salaries alone grew from 77% to 93% within the past 3 years. Although the figures in Table 5 also show that student fees were chiefly used to pay for other contractual services, (i.e., 36% in 1971; 75% in 1972; and 67% in 1973), substantial amounts were likewise disbursed for rent and utilities (37%) in 1971 and for travel expenses in recent years.

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[1]Difficulty encountered in data collection could be attributed to the discrepancy between the amounts of funds collected vs. the amounts that should have been collected, based on the quarterly enrollment, by the Cashier's Office. Absence of a system to control disbursements from the trust fund account has posed the uncertainty of the amounts deposited and withdrawn. Audit reviews revealed the impropriety of expenditures related to these funds. See memo addressed to the Acting President of Federal City College from the Athletic Committee entitled "Athletic Program, April 5, 1974" which stated that the committee has been unable to find out for what purposes $137,000 was disbursed.

These audit requests have resulted in a computerized system of reporting expenditures for the Athletic Department from May 30, 1973 to January 31, 1974; however, the system has not been used for earlier years. Reports generated by the Computer Center consist of listings of deposits by payee, purpose, amount, sport and date of disbursement. Continuation of this system for monitoring funds should be useful in the planning and development of the department.

Copies of the D.C. Board of Higher Education Resolutions related to the management of the trust fund account are attached as Appendix D.

Table 5

FCC's Obligated Expenditures by Source of Funds and By Main Expense Categories, FY 1971 Through FY 1973

Object of Expenditure	Sources of Funds: D.C. Budget[a] 1971 (Amount)	1971 (%)	1972 (Amount)	1972 (%)	1973 (Amount)	1973 (%)	Student Fees[b] 1971 (Amount)	1971 (%)	1972 (Amount)	1972 (%)	1973 (Amount)	1973 (%)	Total Expenditures 1971	1972	1973
Salaries, Wages & Benefits	$66,682	77.4	$90,424	87.4	$99,280	92.7	-		-		-		$66,682	$90,424	$99,280
Travel	2,118	2.5	681	0.7	-	-	$175	2.6	$10,171	11.5	$16,110	14.3	2,293	10,852	16,110
Rent & Utilities	-	-	-	-	-	-	2,520	36.7	7,593	8.6	8,371	7.4	2,520	7,593	8,371
Printing & Reproduction	-	-	-	-	61	0.1	159	2.3	2,469	2.8	31	*	159	2,469	92
Other Contractual Services	10,353	12.0	2,140	2.1	2,661	2.5	2,463	35.9	65,778	74.6	75,196	66.6	12,816	67,918	77,857
Equipment & Supplies	6,961	8.1	10,179	9.8	5,058	4.7	1,545	22.5	2,179	2.5	994	0.9	8,506	12.358	6,052
Grants & Subsidies	-	-	-	-	-		-	-	-	-	3,996	3.5	-	-	3,996
Undefined	-	-	-	-	-		-	-	-	-	8,236	7.3	-	-	8,236
Total	86,114	100.0	103,424	100.0	107,060	100.0	6,862	100.0	88,190	100.0	112,934	100.0	92,976	191,614	219,994

SOURCES: a"Government of the District of Columbia Summary Obligations and Expenditures" Reports on appropriations from D.C. Budget: FY 1971 - First 3 quarters obtained from the Fourth Quarter FY '71 Budget Allocation Report plus the obligations for the 4th quarter reported as of June 30, 1973 Final Report of the Accounting Office; FY 1972 and FY 1973 - based on reports as of March 31, 1974.

b"Government of the District of Columbia Summary Obligations and Expenditures" Reports on Trust Fund Accounts, June Final Reports for each year: FY 1971 - p.2283; FY 1972 pp. 2047 - 2049; and FY 1973 - pp. 3558 - 3562.

* Less than one percent.

As a whole, the financial information assembled concerning the operational aspects of the Department attests to the observation that it had been sufficiently provided. In fact, some surplus funds have annually been returned to the D.C. Government and an accumulated balance of $19,000 over the past three years has been reported from the trust fund account. It is therefore imperative at this stage that the D.C. Board of Higher Education examines the financial commitment of the District government to intercollegiate athletics. Such a review might lead to the reduction of student fees paid by all enrollees as well as the dependency of the Department on this source of income.

Community Outreach

To gain more knowledge of the interaction of FCC's Athletic Department with the D.C. community, we collected information on the residents' attendance at football, basketball, and soccer games as well as the number and types of activities specially designed for D.C. residents. The latest figures, recorded in 1973, on the estimated attendance for each of the five home football games was about 3,400.[1] During the same year, about 100 spectators[2] attended soccer games, whereas a smaller number attended basketball games. FCC students are admitted free to all games played at home. Tickets for football and basketball games are sold to the general public; however, "give-away" tickets are usually extended to high school students in the District, top officials of HEW and the District Government, and clients of the D.C. Department of Recreation.

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[1]Personal interview with Mr. James McCannon, Business Manager Athletic Department, Federal City College, Feb. 5, 1974.

[2]Ibid.

The Athletic Department has initiated two outreach programs, "The Coach's Corner" and the "Football Clinic", and is planning for another similar program to provide activities in which various segments of the community can actively participate. The Coach's Corner is designed to create and develop an interest in football among elementary and secondary school students in the District. FCC's present football coach scheduled quarterly meetings with these young people and presents the positive aspects of the sport as well as the preparatory stages required before persons of their age group can actually participate. Persons well known in the field of sports participated in both clinics. The football clinic is to be held annually; the first clinic was held in April 1974 while the first basketball clinic was held in May 1974.

Taking an active part in the football clinic were Jack Gaither, formerly with Florida A&M; Earl Banks of Morgan State College; Arnold Jeter of Delaware State; William Billy Joe of Cheyney State; Mans Collins of Carrol High; and R. Melvin Jackson of the National Federation of State High Schools. Participants of the first Basketball Clinic were John McLendon, Jr. of the Converse Rubber Company; Clarence Gains of Winston-Salem State University; John Thompson of Georgetown; A.B. Williamson of Eastern High; Barbara Reimann of the Eastern Association of Intercollegiate Athletics for Women; Jim Howell, an NCAA Basketball Official; Kay Massey of Woodson Senior High; and McKinley Armstrong of McKinley Technical High School.

The outreach programs that are being operated and planned by the Athletic Department are expected to increase the overall participation of the community in FCC's intercollegiate athletics. Accurate records of the number and type of activities that D.C. residents participate in and attend should be maintained as a means to determine whether the desired effects are being achieved.

II. B. Goals and Highlights of FCC's Athletics, AY 1972-73

To give the reader a good perspective of the total athletic program, it is not only necessary to discuss the resources and student participation, but it is also essential to view the program's philosophy and goals as well as performances and activities of its outstanding personalities. These factors, as presented in this section, will give the reader further insight of the further prospects of FCC's program.

Intercollegiate athletics at FCC is an integral part of its total educational program. It was organized with the purpose of providing programs that "offer practical experiences within educationally sound perimeters which will help prepare student-athletes for life's involvements."[1] The philosophy of the program is designed "to contribute positively to the physical well-being, skilled performances, inculcation of sound values, self-expression, self-discipline, self-discovery, and selflessness of each student-athlete."[2]

The general principles of the Athletic Department have also been expressed by various members of the department. During the early part of 1974, Dr. Samuel Barnes, the interim Athletic Director who was formerly the Athletic Director at Howard University and the former secretary-treasurer of the NCAA, was quoted as having summarized the philosophy of the Athletic Department by articulating: "to become more involved with the students as people and not just as athletes."[3]

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[1]Department of Athletics, FCC, "Report to the Self-Study Committee", Washington, D. C., Summer 1973, p.4.

[2]Ibid., p.1.

[3]David DuPree, The Washington Post, Jan. 24, 1974.

Boswell of The Washington Post noted that football coach Earl Richards expressed: "We want our players to set the tone of the school, graduate and go on to be productive workers in the city. That's how we'll get the backing of the community and keep it."[1]

Goals and objectives of the Athletic Department were also summarized in a report to the Self-Study Committee as follows:

- To nurture and properly channel the competitive urge inherent in all and carried with all throughout life;
- To build team spirit and desire on the part of those who participate to work with each other in a cooperative effort;
- To develop morale and mold characters; and
- To stimulate a continuing institutional interest and loyalty among students, faculty, staff, alumni and friends."[2]

Information on the various activities conducted by the Athletic Department to encourage the athletes to strive for excellence was obtained from FCC's Sports Information Director, Mr. James E. McCannon and articles that appeared in the local newspapers. A record of the games played during the 1973 season is shown in Table 6. The undefeated soccer team and the women's basketball team brought victory to FCC. The women's basketball team won 85% of their games plus the District AAU championship. The performance of FCC's soccer team was featured in the Star-News twice last year. The articles stated:

> "Federal City College's unbeaten soccer team ran its winning streak to seven yesterday with an impressive scoring display in defeating St. Mary, Maryland...[3] Federal City, coached by Salah Yusef, has an 8-2-1 record. An 1-0 to Erskine in its last game snapped a five game winning streak."[4]

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[1]Thomas Boswell, The Washington Post, October 5, 1973.

[2]Department of Athletics"Report to the Self-Study Committee" op cit, p.1.

[3]Star-News, October 21, 1973.

[4]Ibid., November 9, 1973

Table 6

Distribution of Games Played by Sports and Outcome, FCC Athletic Department, AY 1972-73

Sport[1/]	Outcome of Games		
	Won	Lost	Total
Basketball			
Men	11	13	24
Women	24	4	28
Soccer	14	0	14
Baseball	7	12	19
Football	3	5	8

Source: Provided by FCC's Sports Information Director, Athletic Department, April 24, 1974.

1/ No records of games are kept on sports played on informal bases (such as women's tennis and men's golf) or on individual bases (i.e., track and field and golf); hence, these games were excluded from this table.

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At the Fourth Annual All Sports Banquet held June 7, 1973, many awards were presented. To foster excellence in academic performance among athletes, trophies were presented for the "Scholar Athlete Award". Winston Solomon, a basketball player, who maintained a GPA of "B", the highest average among the male athletes, won this award. Caroline Sumpter, a basketball player, who had a "B+" GPA received the trophy for women. The Annual Art Carter Journalism Award was presented to Mr. Jim Bethea, a member of the the Star-News' staff, for his articles on most of the games played by FCC's teams. Mr. Bethea's articles projected a positive attitude towards FCC's developing athletic program. He stressed the efforts exhibited by FCC athletes (which could eventually become assets for the teams) and drew attention to the professional training of outstanding coaches currently associated with FCC. Such recognition by the local news media could have inspired FCC's players toward better performance.

The most highly regarded trophies were presented as senior awards to the following outstanding athletes:

- Randolph Bowman, James Bentley, and Winston Solomon received trophies for their performance in men's basketball.
- Ann Arrington, Sharon Marshall, Caroline Sumpter, and Shirley Gordon were recipients of trophies for their outstanding performance in women's basketball.
- Individual trophies were presented to members of the undefeated soccer team.
- Dwight Mosley earned the Senior Award for his performance in basketball.
- Gerald Fitzgerald was awarded a trophy for being the most outstanding member of the 1973 track and field team.

The Inter-school Cooperative Award was presented to Charles Kinnard, Director - Division of Student Affairs, for promoting the homecoming activities during the football and soccer seasons. Also during this ceremony, Honorary Service Awards were bestowed upon Sam Jones, the outgoing basketball coach and Ed Brooks, the outgoing football coach by the Acting President of Federal City College.

Noted athletes have also been honored by being named to FCC's Hall of Fame. On June 11, 1973, two men were named to FCC's Hall of Fame. Winston Solomon received this recognition for being the team leader in scoring and for ranking high in the rebounding category in 1973. His career accomplishments were so consistent in athletics and scholarship that the Athletic Committee bestowed this honor upon him. Curtis Massey, the football player, was voted the 5th member to FCC's Hall of Fame. He received this recognition because of his skills as a backfield since 1969; he led the team in yardage for 4 seasons.

FCC's athletes and other personalities in the department attracted the attention of the local news media in 1973; some excerpts are presented in the following paragraphs.

Boswell of The Washington Post expressed: "For the present, Richards has sufficient small skilled players - like sophomore quarterback, Mark Artis and pass catcher, Robert Smith, who can score on one play - but what he needs is more fellows like Leonard Warren a 240-pound senior."[1]

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[1]Boswell, op cit.

On October 7, 1973, the Star-News revealed how Charles Artis led FCC to victory by noting:

> "Sophomore quarterback, Charles Artis and a strong defense combined to lead Federal City College to its victory of this football season, 22-12 over Shaw University yesterday at Phelps-Spingarn Stadium."

Also in October 1973, The Washington Post noted that Gedlem Affa shot his 12th goal in eight soccer games to help Federal City to a 4-2 triumph over Rutgers University and to set a season record of 6-1-1. Other athletes mentioned were Maurice Blair, who hit two goals, and Don Lagore who made a goal. Bessie A. Stockard, the coach for women's basketball and tennis, was headlined by The Washington Post for her outstanding coaching ability and her athletic skills. The article stated:

> "Ms. Stockard has won virtually every important amateur tournament in the area since moving from Nashville nine years ago. She has won some of them repeatedly. She also mopped up on the Amateur Tennis Association tour for Black athletes."[1]

The incentive program for splendid performances of athletes should continue and be expanded to include coaches and other staff in the department. This practice could improve the quality of the program, therefore attracting more students and local residents to participate in athletics. As a result, the college could derive more benefits from its investment in the program.

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[1] Star-News, Dec. 18, 1973

II. C. Estimates of the Eligible Student Population

The size and scope of an athletic program are greatly determined by the special characteristics of the student body of the college and by the types of students participating in the program. In an effort to forecast the finances and manpower needed to support the types of activities anticipated, OIR conducted a study on the probable number of potential athletes FCC could possibly expect to accommodate by 1980.

This task was undertaken in two phases: the first phase was devoted to estimating the number of males and females by age group eligible to participate in competitive intercollegiate athletics; the second phase involved estimating the athlete population. This estimation was made by adjusting the projected eligible student population for 1980 to the expected student participation rate. The methodology and findings are summarized in this section; the specific steps undertaken in the study are outlined in Appendix A.

The criteria applied in estimating the number of eligible students were:

- age and sex of students;
- NCAA-NAIA eligibility requirements such as:
  a) full-time undergraduate enrollment;
  b) a minimum grade point average of 2.0 or better; and
  c) a completion of 24 credit hours the previous two terms in college.

Utilizing these criteria resulted in the following estimates:

- number of enrollees by age group and sex based on earlier trends;
- number of students meeting the NCAA-NAIA eligibility requirements;
- number of potential athletes based on the characteristics of a sample of student athletes in 1973; and
- student participation rates by sex and age group.

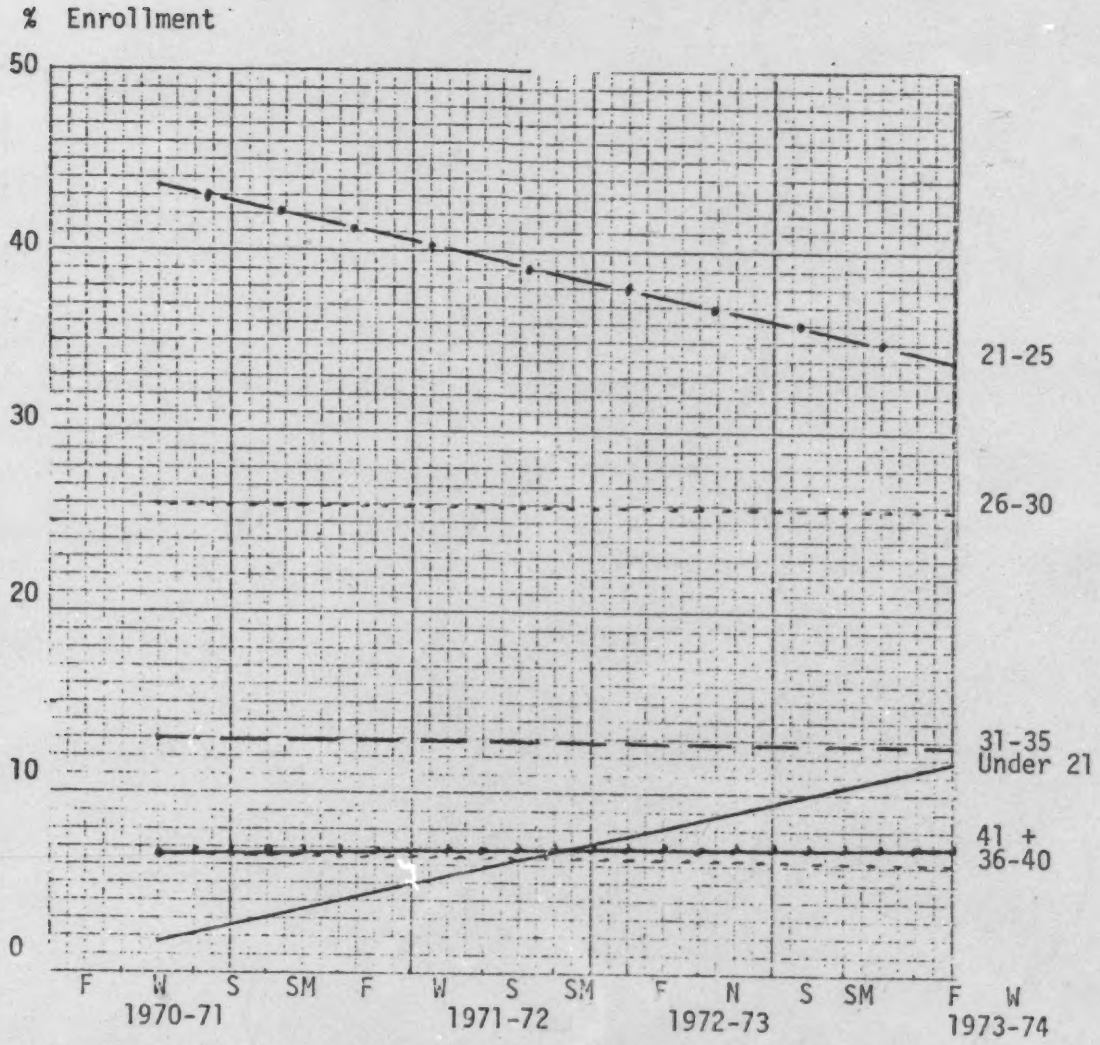
Quarterly trends of total college enrollment at FCC by age group are presented in Chart A. The trends show that the age group under 21 years is increasing, while the 21-25 age group is declining. The other groups remain relatively constant. Assuming that these trends will continue, the age distribution of students by 1980 will be as follows:

Age Group	In Percent
Under 21	30
21-25	10
26-30	25
31 and Over	35

In estimating the number of eligible undergraduates for each age group and sex, we used the Fall '73 Student Profile Report generated by the Computer Center. Results presented in Table 2 of Appendix A indicate that the greatest number of eligibles are concentrated in the 21-25 and 26-30 age groups.

Chart A

Average Trends of Total FCC's Enrollment in Percent by Age and Quarter, FY 1970-71 through FY 1973-74



SOURCE: Student Profile Reports, Computer Center, Federal City College, FY 1971 through FY 1974.

To convert the number of eligibles into a number of potential athletes, the age distribution of samples of male and female athletes were derived. The data showed that there were virtually no athletes 31 years of age and over. In fact, the majority of the athletes were under 25 years of age (77% of the males and 83% of the females).

A derivation of the probability of eligible students participating in athletics was expressed in a propensity ratio which was the proportion of actual athletes to the proportion of eligibles. This ratio was used as a numerical indicator of differential rates of participation among the various age groups. The propensity ratios arrived at by sex and age group were:

Age Group	Propensity Ratios Male	Female
Under 25	1.8	1.5
26-30	0.8	0.8
31 and above	0	0

Upon completion of Phase I, the next step was to obtain the number of potential athletes by 1980. This phase necessitated estimating the:

- number of students projected by age group and sex in 1980; and
- number of eligibles by age group and sex in 1980 in order to determine the number of potential athletes for 1980.

Forecasting for the target date of 1980 was made possible by using an earlier enrollment forecast of 10,000 students.[1] This was distributed by age group and sex based on the assumed trends projected for 1980. The number of eligibles by sex was estimated from this distribution by employing the proportion of full-time undergraduates derived earlier. Assuming an upper limit of participation rate of 100% for both sexes under 25 years of age and the rates of 44% for males and 53% for females 26-30 years of age, we would expect about 1,546 males and 1,605 females or a total of 3,145 potential athletes by 1980.

We have examined the precipitating effects of FCC's location in the central city, the possibility of the college becoming accredited by summer 1974, and the probable change in the kind of full-time students who will attend FCC. Each of these factors could be expected to influence the number of potential athletes at FCC by 1980. In light of local and national trends, the probable effects of these factors on enrollment trends at FCC might act to reduce the probable number of student athletes.[2]

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[1] T.S. Chidambaram, "Is a FTE of 11,000 Reasonable for FY 1980?" Memorandum to Ken Gramza, November 20, 1973, OIR, FCC, Washington, D.C.

[2] Parker's annual report on collegiate enrollments speculates that the declining full-time enrollments in the 70's are mild when compared to what is projected for the 1980's. This decreasing trend seems to be accounted for by declining birthrates; migration of students from 4-year schools to junior colleges; minimum relevance of a college education to career opportunities, and expected changes in lifestyles; the insignificant relationship of a college degree to job security and income levels; increasing alternative of on-the-job training options and the recent change to voluntary military service. (See "College and University Enrollments in America, 1973-74" by Garland G. Parker in Intellect, Volume 102, No. 2355, February 1974).

Earlier OIR investigated the effect of FCC's backlog of demands on the educational opportunity for potential enrollees by the late 70's. This revealed that the projected trends of applicants to FCC seem to be consistently declining. The range of projected trends of applicants showed

Chidambaram's opinion that the feasibility of achieving the forecasted upper limit of 10,000 FTE's by 1980 is optimistic. This estimate would require an annual growth of about 7% which is quite beyond the 4% golden-mean growth rate recommended by the Carneigie Commission on Higher Education for 4-year colleges. Also, student athletic participation rates appear to be declining. Based on the experience of comparable institutions as studied by Raiborn, athletic participation rates declined steadily from 9% in 1960 to 7% in 1970. It is, thus, more realistic for FCC's administration to assume a participation rate of 5% to 7% in the foreseeable future. If this trend were to persist for FCC, one might expect about 160 to 220 athletes in 1980.

FY	Backlog Demand + Normal Demand	Backlog + Effective Demand
1973	6,311	6,821
1978	3,940	4,050
1979	3,800	3,800

that the backlog plus normal demand (includes recent D.C. high school graduates) curve and the backlog plus effective demand (includes both graduating high school students and other potential college students in D.C.) curves finally converged by 1979. (Detailed data are presented in Ken Gramza's paper "The Cost of Full Educational Opportunity for Potential FCC Students in FY 1973" OIR, FCC, April 21, 1972.)

Because of FCC's location in downtown D.C., its student body exhibits characteristics atypical to students enrolled in 4-year institutions. For instance, the majority of FCC students either work full- or part-time; about a third of them are married; 36% support dependent children, and the median age of the students is 26 years. The contention that FCC's student body will soon be younger than that of its earlier years of operation is rejected on the basis of data collected on the trends of the median age. The median age derived on the quarterly enrollment cohorts have increased over the years. In fact, the median age reported in 1969 ranged from 21 to 25 years compared to a range of 24-26 years in 1973. (See Taylor, Lieberfeld, and Heldman, Draft Tables on "Enrollment Cohort Profile by Age Group", FCC's Student Retention Study, March 1974).

Summary

Section II was subdivided into integral parts pertaining to: 1) the status and trends of FCC's intercollegiate athletics: 2) goals and highlights of FCC's athletics during the academic year 1972-73 as summarized by the Athletic Department and the news media; 3) an abstract of the methodology used to estimate the eligible student population in the near future; and an analysis of the expected level of athletic participation at FCC over the next 6 years.

A presentation of the contemporary status and historical trends concerning the basic components of the program indicate that:

- While the participation rates among full-time males have fluctuated, they have primarily declined. The available data on female athletes indicate no change despite their superior performance during the past year.
- The computerized system of documenting expenditures should be extended to include revenues collected to assist the Athletic Committee and the D.C. Board of Higher Education in establishing the appropriate amount for student athletic fees.
- A system of recording student and community participation in sport-related activities should be developed and implemented to provide some objective basis for improving both the quantity and quality of services.
- Annual awards to motivate students should be continued and special awards given to outstanding coaches and trainers which could help build the quality of the program.
- An optimistic estimate of 190 athletes expected by 1980 should guide the college administration in their short- and

long-term plans especially in terms of specific sports to be developed, activities involving the student body and the community, physical facilities, and personnel needed to obtain the most benefits from the investments made in the athletic program.

This section of the paper was intended to help the reader appreciate the various aspects of the Athletic Program and its prospects for development in the near future. Section III is centered around the issues of similarity and dissimilarity when comparing FCC's Athletic Program to other athletic programs in the country. Comparative analyses made to illuminate FCC's typical and atypical characteristics are related to:

- student participation and staffing,
- amounts and main sources of revenue, and
- amount of expenditures by main purpose.

III. COMPARISON OF TRENDS AT FEDERAL CITY COLLEGE WITH NATIONAL TRENDS

III. Comparison of Trends at FCC with National Trends

An optimal method of perceiving the strength and weaknesses of FCC's athletic program is to compare various facets of the program with those of similar programs.[1] Specific questions raised regarding the objective stated above were:

a) Is the type of program currently being operated at FCC typical of a college of its size. If it is not, what should be its size and scope? (A review of student participation rates and staffing pattern will help us identify the main causes for any discrepancies between FCC and the sample colleges.)

b) How does FCC's sources of funding and amounts compare to those of similar colleges? (Sources of funding examined were student fees, state support, ticket sales, etc.).

c) Are FCC's costs of operation by main object relatively comparable to those at other colleges? (This section of the analysis is centered around expenditures, personnel salaries and benefits, travel, supplies and equipment, and other expenditures inherent to an athletic program.)

The findings expressed in An analysis of Revenues, Expenses and Management Accounting Practices of Intercollegiate Athletic Programs in 1970 by Raiborn were used as the criteria in this comparative analysis. Raiborn's study was based on the responses from 277 sample institutions that were active or associate members of the NCAA in 1969. Since members of the NCAA are categorized into five classes[2] based on the predominance of particular

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[1]The absence of a study on new athletic programs plus the necessity of submitting a report of FCC's athletic program within a limited time period has compelled us to use Raiborn's research which we believe is the most comprehensive secondary data available on the intercollegiate athletics.

[2]Refer to class definitions on page 1 of this report.

sports (i.e., football and basketball) included in the programs and the assumed strength of programs as manifested in the matching of scheduled oppositions. The data presented in Raiborn's study covered a 10-year period, FY 1959-FY 1969.[1] His study also inferred that the resulting clusters of institutions were meaningful for analysis considering the fact that each class included schools with relatively comparable athletic programs and presumably similar revenue and expense structures.

Due to the great diversity of the athletic programs that constituted the five classes of sample institutions, there was a need to identify a group with which FCC could be compared. Care was taken in this selection to ascertain the equivalence of the sample institutions to FCC's emerging athletic program. A perusal of the characteristics of the institutions in each NCAA group as shown in Table 7 assisted us in identifying some criteria upon which we could evaluate our program.

These criteria were:

- mean revenues and expenditures,
- size of undergraduate male enrollment,
- dominance of publicly supported colleges, and
- relative strength of programs as manifested in their scheduled competitors in major sports.

Based upon the above factors, Class B institutions was selected as the sample group of colleges. We believe that FCC can be best identified with Class B institutions because of:

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[1]Secondary data for sample comparable colleges had to be extrapolated for FY 1970 through FY 1974 and FY 1980 because the retrospective data referred to a period prior to the inauguration of FCC's athletic program.

Table 7

Selected Characteristics of Sample Institutions Used in Raiborn's Study Classified into Class A through Class E Compared to FCC

Selected Characteristics	Competitive Status in Football, FY 1969					
	Class A (University Division)	Class B (College Division)	Class C (Less Competitive in Football)	Class D (Major Competitors in Basketball But Not in Football)	Class E (Other Colleges)	Federal City College FY 1973
Mean Revenues (000's)	$ 1,397	$185	$ 37	$ 69	$ 22	$236
Mean Expenses (000's)	$ 1,322	$247	$ 102	$ 196	$54	$220
Average Undergraduate Male Enrollment	6,650	3,770	1,284	2,862	1,515	3,382
Average Number of Athletes	396	289	265	198	156	132
Total Number of Coaches	22	14	10	11	8	12
Institutional Support	Predominantly Public	Predominantly Public	Predominantly Private	Predominantly Private	Predominantly Private	Public
Total Enrollment	10,000 +	6,000-9,999	6,000-9,999	Under 6,000	Under 6,000	7,000 +

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- their average total revenues and total expenditures approximate the incomes and expenses reported for FCC,
- the majority of these colleges are publicly supported,[1]
- their average undergraduate male enrollment is below 5,000 and closely approximates the level of male enrollment at FCC,[2] and
- its members play football at the College Division.

Therefore, we have confined our analysis to class B institutions.

We assume that the administrators of FCC's Athletics Department would consider it desirable to build our intercollegiate athletic program so that it could qualify for the NCAA College Division of Football, a criterion for ranking as a Class B institution.

Student Participation and Staffing Pattern

The total size and scope of a program is usually measured in terms of the number of students actually participating in sports, the number of coaches as well as the extent of administrative support the program receives. The data in Table 8[3] illustrates the similarities between FCC and the sample schools in these areas. The estimated student participation rates have consistently declined for FCC and sample colleges over the past 4 years, and both can only expect about 6% by 1980.

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[1]See Appendix E for the list of NCAA Class B member institutions by region.

[2]FCC's undergraduate male enrollment ranged from 2,483 to 3,457 from FY '70 to FY '73 while the estimated average undergraduate male enrollment among Class B institutions for the same period grew from 3,886 to 4,484.

[3]Chidambaram's application of the stepwise regression method identified the average male enrollment as the most significant variable to which dependent variables could be related among Class B institutions. See Appendix B for detailed methodology.

Table 8

Estimates of FCC's[a] Program Components Compared to Sample Colleges,[b] FY 1970 through 1973 and 1980

Component	Fiscal Year 1970	1971	1972	1973 ...	1980
A. Student Participation Rate			Percent		
FCC	8.5	7.8	7.3	7.4	6.4
Sample Colleges	7.0	6.9	6.8	6.7	6.3
B. Athletes			Number		
FCC	212	235	254	251	321
Sample Colleges	273	282	290	299	360
C. Coaches			Number		
FCC	10	11	13	12	17
Sample Colleges	14	15	15	16	20
D. Athletes/Coach Ratio			Ratio		
FCC	21.2	21.4	19.5	20.9	18.9
Sample Colleges	19.5	18.8	19.3	18.7	18.0

[a]Estimates based on FCC's annual male enrollment.

[b]Figures for sample colleges were forecasted by least square method based on FY 1960 - FY '69 data reported in Raiborn's Study.

Estimated number of athletes at FCC and the sample colleges increased gradually during the past few years. Trends in the number of coaches for FCC and the comparable colleges registered a steady but slow growth rate. With respect to training responsibilities, the number of athletes per coach ratio would have been larger for FCC personnel when contrasted to those at the sample colleges. During the past year, the estimated athletes/coach ratio for FCC was 21; for the other colleges athletes/coach ratio was 19. The actual data on student participation rates (as shown in Section II) are lower than the estimated rates for FCC. The estimated figures could become a reality in the near future because of the possible effects of a change in FCC's accreditation status and an increase in financial and other incentives (e.g., grants and subsidies to students and annual awards), for athletes to attend FCC.

Comparison of Revenues at FCC and Sample Colleges

An examination of the revenues received and the expenditure levels at which FCC has operated during FY '73 was performed in order to gain some insights into its financial status which greatly influence the Department's viability. Data from a recent national survey of budgets at 4-year institutions was used to determine FCC's position. Dukiet[1] examined various items related to revenues collected and expenditures incurred by both public and private colleges of varying sizes. Table 9

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[1]Kenneth H. Dukiet, "The Cost of Higher Education, 1973-74," College Management, January 1974, Volume IX, No. 1, pp. 8-18.

summarizes the per capita figures for revenues and expenditures in athletics as reported in Dukiet's study. These data suggested that revenue per student increased proportionally with enrollment size. Colleges enrolling less than 5,000 students claimed a revenue of $17 per student vs. a $40 amount reported for institutions with at least 10,000 students. FCC's actual revenue of $32 per student was equal to that of the average 4-year sample college but higher than the $20 per student collected by medium-sized colleges (5,000-9,999 students).

In the study conducted by Dukiet, it was also revealed that per capita expenditure ranged from $26 for medium-sized colleges to $44 for large-sized institutions. FCC reported an expenditure per student of $29. This seems to be in line with other medium-sized institutions.

As illustrated in Table 9, the sample institutions surveyed by Dukiet in 1973 reported per capita revenues less than their per capita expenditures. This gap between revenue collected and expenditures disbursed was inversely related to enrollment size which is expected because of revenue producing sports in the larger institutions. Interestingly, FCC reports s surplus of $3 per capita for the same period. This documents FCC's efforts to operate within the limitations of the funds available.

Deficit spending in athletics has become a common practice among institutions of all sizes in recent years. This is partly caused by the spiraling cost of operations, (apparently, the reversal will not occur within the next few years) and the change in attitudes of the general public towards intercollegiate athletics have contributed towards the diminution of revenues collected

Table 9

Revenue and Expenditures per Student
at FCC Compared to Other 4-Year
Institutions, FY 1972-73

Four-Year Institutions and Enrollment Size	Revenue per Student	Expenditure per Student	Difference
All 4-year institutions	$31	$38	-7
Schools with 10,000 students +	40	44	-7
Schools with 5,000 - 9,999	20	26	-6
Schools under 5,000	17	34	-17
Federal City College (5,000 - 9,999)	32	29	+3

SOURCE: Kenneth H. Dukiet, "The Cost of Higher Education, 1973-74," College Management, Volume 9, #1, January 1974, pp. 8-18.

A more comprehensive comparison of revenues and expenses between FCC and sample colleges was explored using the explanatory variables[1] provided in Raiborn's study. Explanatory variables examined in this analysis were:

- Years data were reported (used as the time variable in trend analysis),
- Average male enrollment,
- Average consumer price index, and
- Average number of gross and net athletes.

The purpose of the comparative analysis was to assist us in the evaluation of FCC's current program and to help us to identify the expected amounts and

[1]Other variables which may be related to revenue and expenditure structures are: Average age of Class B schools, average population density of area where college is located, average distance the college is located from a Metropolitan Area, winning schedules and scheduling of games on TV. We were unable to examine these variables because of the absence of the list of sample respondents to Raiborn's study and the prohibitive time required to collect comparable data on all Class B institutions.

sources of future resource required.

Availability of trend data on sample institutions (FY 1960-69) and a high degree of correlation between the above mentioned variables and levels of revenues and expenditures have encouraged us to utilize these variables in our analysis. Items presented by Raiborn which were most relevant to our analysis were:

A. Revenues for athletic programs by year and class of institutions:

- Total revenue
- Revenue from football
- Revenue from basketball
- Revevenue from ticket sales
- Student activity fees
- Student assessment unrelated to admissions
- Guarantees and options
- Contributions from alumni and others
- Distributions from conferences and other associations
- Governmental support

B. Expenditures on athletic programs by year and class of institution:

- Total expenses
- Salaries, wages, and benefits paid to athletic personnel
- All travel expenses
- Equipment and uniforms

Raiborn's data covered the period (FY 1960-69) before FCC's program came into being. All revenue and expenditure data were presented for each of the five NCAA classes of institutions. The need to extrapolate Raiborn's data from FY '70 through FY '74 in order to compare FCC with other colleges and of developing predictive equations for projecting expenditures required the following approach. The first approach consisted of an analysis that pooled all classes of (A,B,C,D,C) institutions, while the second approach utilized only class B institutions as a basis for prediction. Since the main purpose was to identify college and national variables to which athletic revenues and expenditures could be related for prediction purposes, we tested the two approaches utilizing the stepwise regression technique before achieving a reliable estimating equation.

The first approach seem to have failed to produce a simple reliable prediction scheme. This failure maybe traced to two factors: a) the five classes of institutions and their athletic programs are so different in structure that they should be analyzed separately, and b) detailed expenditure and revenue data were often based on a few responding institutions which tended to make the data intrinsically unreliable as indicated in the observed high standard errors.[1] In almost all cases, "average male enrollment" was the first variable chosen by the stepwise regression, explaining about 85% or more of total variation in revenues and expenditures.

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[1]In the case of student fees, the standard error of the estimate was $18,000 which is intolerably large considering the fact that revenues for non-class A institutions ranged only from $20,000 to $90,000 a year - Raiborn, Table 2.3 on page 36.

Steps were taken to adjust some of the limitations of the first method by recognizing the variability among the five classes of institutions. Techniques of regression analyses were applied among class B institutions to predict only total revenue and expenses.[1] Interestingly, the previous year's enrollment was the best single predictor for both expenses and revenues. This finding[2] seems to be well substantiated since the sample colleges derived about 36% to 46% of their income from student fees (between FY 1965 to FY 1969). Therefore, the financial statuses of the institutions are greatly affected by their enrollment.

The sample institutions spent 53% to 60% of their funds on two main categories:

- grants-in-aid to students, and
- personnel's salaries and wages.

These expenses are also assumed to be directly proportional to the total size of the student body served. The enrollment size of an institution is therefore, significant in forecasting revenues and expenses. In fact, this variable explained 99.3% of the variation in total revenue and 99.1% of the variation in total expenses. Consequently, we used the enrollment for the previous years to estimate total expenses and revenues for FCC and the sample colleges.

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[1] Forecasting was performed only on total revenues and expenses because of the unreliability of data based on very small sample of institutions providing detailed information. Revenues by principal sources and expenses by main object were proportionally distributed based on reported information for earlier years in Raiborn's study.

[2] As reported in Raiborn's Table 2.3 (Principal Revenue Sources and Perdentage of Total Revenues) and Table 3.5 (Principal Expenses Classified by Object and Percentage of Total Expenses), p. 37 and p. 95.

The estimating equation[1] for total revenues and total expenses were used for FCC's total revenues and total expenses as well as for the sample colleges for FY 1971 - FY 1974. The actual and the expected range of estimated revenues are compared in Table 10. These data revealed, particularly in recent years, an adequate financing of FCC's athletic program. For example, in FY 1973 the actual revenue of $236,000 was over and beyond the estimated upper limit of $188,000 for a college an enrollment the size of FCC's.

Table 11 illustrates how FCC's revenue levels differ from those of the sample colleges. Taking into account the trends of male enrollment at FCC, the computed revenues were consistently lower than the estimated average for the sample institutions. This observation indicates that other sources of revenue for FCC were not fully utilized in the past. On the other hand, comparing the actual revenues received to the estimated mean for comparable colleges significantly alters FCC's relative position. Generally, FCC's revenue levels were consistently lower than those of the sample colleges prior to FY 1973. After that year, the trend was reversed. In recent years, FCC's Annual incomes were slightly higher than those reported by the sample institutions. While FCC seems to be adquately funded for its current level of operation, there appears to be a need for more funds to build its program to the stature of Class B institutions; thus, qualifying FCC for entry to the NCAA College Division level of Football.

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[1]Estimating equations for total revenues and total expenses along with the formulas for the corresponding standard errors associated with these estimates are presented in Appendix B.

Table 10

Actual[a] and Estimated Revenues for FCC's Athletic Department
FY 1971 through FY 1974
(000's)

FY	Actual Revenue	Estimated Revenue				Relative Position of Actual Revenue to Estimated Upper Limit
		Lower Limit	Mean	Upper Limit	S.E.	
	Dollars	-------- Dollars ---------				
1971	111.6	105.1	115.3	125.5	3.3838	Lower
1972	204.3	138.7	149.2	159.7	3.4690	Higher
1973	235.7	165.3	176.7	188.1	3.7523	Higher
1974	(278.0)[b]	161.2	172.0	182.8	3.5743	Higher

[a] Extracted from Table 2.

[b] Revenues for FY '74 was estimated by multiplying by 2 the sum of student fees collected for summer and fall quarters plus the budget appropriated for the Athletic Department from June to December. This amount is probably an underestimate because of the fewer students enrolled during the summer quarters.

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Table 11

Actual and Estimated Revenues for FCC's Athletic Department Compared to Estimated Revenues for Sample Colleges, FY 1971 through 1974 (000's)

	Federal City College			Sample Colleges				Relative Position of FCC's Actual to Estimated Mean for Comparable Colleges
FY	Actual	Estimated Mean	S.E.	Lower Limit	Estimated Mean	Upper Limit	S.E.	
1971	$111.6	$ 115.3	$3.3838	$195.5	$203.7	$211.9	$8.17304	Lower
1972	204.3	149.2	3.4690	207.8	216.3	224.8	8.53035	Slightly Lower
1973	235.7	176.7	3.7523	219.9	228.8	237.7	8.88122	Slightly Higher
1974	(278.0)[a]	172.0	3.5743	232.2	241.4	250.6	9.23531	Higher

[a]Revenues for FY '74 was estimated by multiplying by 2 the sum of student fees collected for Summer and Fall quarters plus the budget appropriated for the Athletic Department from June to December. This amount is probably underestimated because fewer students enroll during the summer quarter.

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Determination of the relative impact of each revenue source as experienced by FCC during the past year was related to the established revenue sources reported by sample colleges in Table 12. The stability shown by the proportions of revenues derived from the various sources[1] provided the basis for our assumption that these trends would continue to operate for the sample colleges. The percentage distribution of revenues by sources shown in Table 12 for sample colleges was the basis for prorating the projected mean revenue of $228,800 for FY 1973.

Two of the six revenue categories (student activity fees and government support) provide 97% of FCC's athletic funds, while sample colleges obtained 86% of their revenues from three principal sources (student activity fees and student assessments unrelated to admissions; ticket sales plus guarantees and options; and government support). Hence, it appears that FCC has practically disregarded gate receipts plus guarantees and options as a significant source of funding. As a matter of fact, sample colleges derived about one-fourth of their funds from this source.

Chart B was prepared to depict the contrasting sources of revenue of FCC and the comparable colleges. This data revealed the exclusive dependence of FCC on state subsidy and student fees; whereas, the sample colleges relied more on student-activity fees and other assessments in addition to ticket sales and guarantees. A scheme for activating other possible sources of income such as ticket sales and guarantees and options and contributions from alumni and civic-minded citizens

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[1]Steps undertaken for estimating total expenses for FCC and sample colleges were analogous to the method used for estimating total revenues. See methodology summarized on the preceeding section on FCC's Revenue Compared to Sample Colleges and Appendix B.

Table 12

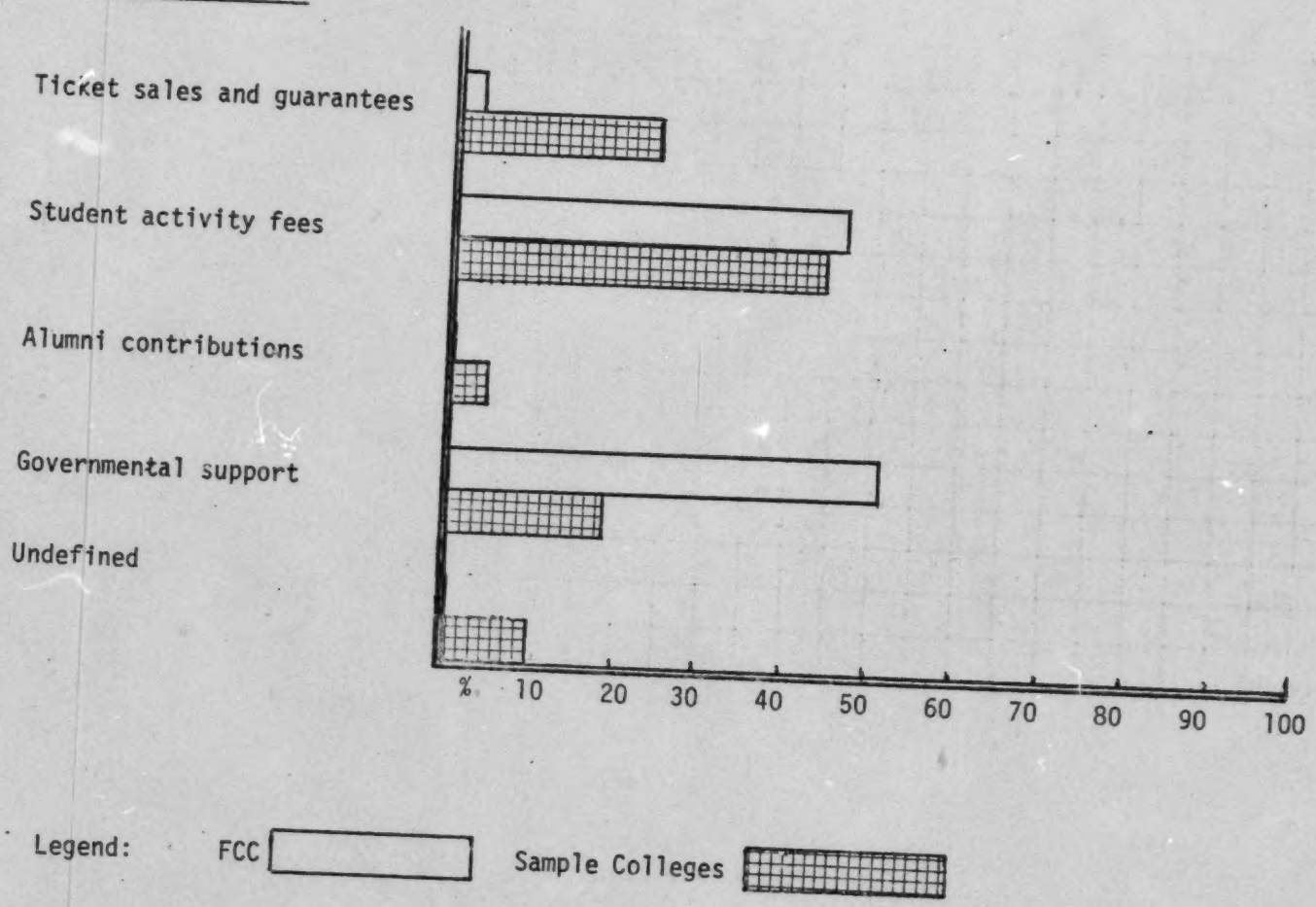
FCC's Actual Revenue Compared to the Estimated Mean Revenue for Sample Colleges Distributed by Source, FY 1973 (000's)

Source	FCC's Actual Revenue[a] (Amount)	(%)	Estimated Mean For Sample Colleges[b] Amount	(%)
• Ticket Sales Plus Guarantees and Options	$ 6.0	2.5	$ 54.9	24
• Student Activity Fees and Assessments Unrelated to Admissions	109.2	46.4	100.6	44
• Alumni Contributions	0	0	9.2	4
• Governmental support	120.4	51.1	41.2	18
• Undefined	0	0	22.9	10
Total	$235.7	100.0	$ 228.8	100.0

[a] Based on figures presented in Table 2.

[b] Based on estimates presented in Table 10 and projected percentage distribution of total revenues by sources reported in Appendix B.

Chart B -- Total Revenues by Source: Comparison of FCC to Sample Colleges, FY 1973



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citizens should be explored at FCC. Fund-raisong activities and improved management of athletic finances might not only reduce the activity fees paid by enrollees but also improve community involvement in intercollegiate athletics.

Comparison of FCC's and Sample Colleges' Expenditures

Setting up of management controls for determining the types and amounts of expenditure is imperative for planning and especially during a period of spiraling costs and the increasing need of accountability in higher education. As an initial step for planning purposes, we have attempted to assess the comparability of the Athletic Department's operational expenditures' with sample colleges. This process will help us to appraise the practicability of our current expenses at FCC vis-a-vis the expenses at comparable institutions. In this way, we would have an objective basis for recommending any expenditure realignment in order to be more effective in attaining the goals of our athletic program. This comparative analysis was undertaken using the average male enrollment as the most significant explanatory variable for predicting total expenses.

Using the estimating equation for total expenses, resulted in the expenditures shown on Table 13 for FCC. Actual FCC expenses are likewise presented in the same table. These figures indicate that FCC's actual expenses reported over the years, except in FY 1974, were consistently lower than the upper limit estimated for schools having FCC enrollment size.

Table 13

Actual and Estimated Expenditure for FCC's Athletic Department, FY 1971 through FY 1974 and FY 1980
(000's)

FY	Actual Expenditure[a]	Estimated Expenditure				Relative Position of Actual Expenditures to Estimated Upper Limit
		Lower Limit	Mean	Upper Limit	S.E.	
71	$ 93.0	$124.1	$140.9	$157.7	$5.6323	Lower
72	191.6	175.6	193.0	210.4	5.7743	Lower
73	220.0	216.8	235.4	254.0	6.2457	Lower
74	(252.6)[b]	210.4	228.1	245.8	5.9045	Slightly Higher
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80	(385.1)[c]	356.6	385.1	413.6	9.4914	Lower

[a]Extracted from Table 3.

[b]Estimated based on the assumption that the rate of growth in expenditure for FY '74 would equal the rate of 14.8% reported for the preceding year.

[c]The estimated mean was assumed to be the level projected for FY 1980.

A broader perspective of contrasting FCC's actual expenditure to those reported by comparable colleges is displayed in Table 14. Data assembled, however, further confirm the lower-expenditure levels reported by FCC when compared to the sample colleges. To illustrate these trends with actual figures, FCC's expenditure grew from $93,000 in 1971 to $220,000 in 1973. For the same period, sample colleges reported expenditures that averaged from $277,000 to as much as $316,000. This information suggests an effort of the director of FCC's athletics to limit the consumption within the stipulated annual budgetary constraints despite the start-up costs, that were required for FCC's development during its early years.

Evaluating FCC's expense structure was also undertaken by showing disbursements by main purpose. Table 15 compares the distribution of expenses between FCC and sample institutions. These figures suggest that FCC's athletic program may need a re-examination of priorities. For instance, the amount spent by FCC for personnel salaries, wages, and other contractual services claimed 81% of its total budget while the sample institutions alloted only 31% for this category. In contrast, grants and subsidies ranked the highest among expense categories for sample colleges. In fact, about 32% was disbursed by the sample institutions for grants and subsidies to students as opposed to the 2% which FCC allocated for the same period.

To date, FCC awards no scholarships[1] and a token amount for

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[1]Because of the low tuition, scholarship awards are not really attractive to FCC students. For example, the tuition plus fees charged to D.C. undergraduate residents amount only to $44 per quarter.

Table 14

Comparison of Actual and Estimated Expenditures at FCC to Sample Colleges, FY 1971 through FY 1974 and FY 1980
(000's)

FY	Federal City College[a]			Sample Comparable Colleges				Relative Position of FCC's Actual to Estimated Mean For Comparable Colleges
	Actual	Estimated Mean	S.E.	Lower Limit	Estimated Mean	Upper Limit	S.E.	
1971	$ 93.0	$ 140.9	$5.6323	$ 263.4	$ 277.0	$ 290.6	$13.60396	Very Low
1972	191.6	193.0	5.7743	282.2	296.4	310.6	14.19870	Lower
1973	220.0	235.4	6.2457	300.9	315.7	330.5	14.78272	Lower
1974	(252.6)	228.1	5.9045	319.6	335.0	350.4	15.37210	Lower
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1980	(385.1)[b]	385.1	9.4914	432.1	451.1	470.1	18.98339	Lower

[a]Based on Table 13.

[b]The estimated mean was assumed to be the level projected for FY '80.

Table 15

Distribution of FCC's Actual Expenditures by Main Object Compared to Estimates for Sample Colleges, FY 1972-73
(000's)

Main Object of Expenditure	FCC's Actual[a] Expenditure		Estimated Mean For Sample Colleges[b]	
	(Amount)	(%)	(Amount)	(%)
Grants and Subsidies	$4.0	1.8	$101.0	32
Guarantees and Options	3.0	1.4	9.5	3
Salaries, Wages & Other Contractual Services	177.2	80.6	97.9	31
Travel, Recruiting & Scouting	16.1	7.3	44.2	14
Equipment and Supplies	6.0	2.7	18.9	6
Rent and Utilities	8.4	3.7	-	-
Undefined	5.3	2.4	44.2	14
Total	$220.0	100.0	$315.7	100

[a] Based on Table 3.

[b] Percent distribution of expenditures as projected in Appendix B, Table .

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grants-in-aid to its athletes. Student employment, however, is provided for interested students.[1] These facts point out the need for an institutional policy that should earmark a part of student fees collected for grants-in-aid (i.e. to cover tuition, books, and other allowable incidental cash payments) to students which might encourage more participation in athletics among eligible students.

One should also note from Table 15 that the sample schools used 20% of their funds for travel, equipment and supplies, whereas, 10% of FCC's budget are spent on these categories. Chart C presents the contrasting relationship between the proportions spent by FCC and the comparable colleges on specific expenditure subgroups. This chart affirms the fact that a substantial portion of FCC funds was spent for salaries, wages and benefits for athletic personnel and other contractual services. The top ranking expenditures reported by the sample institutions, were for grants and subsidies to students as well as salaries and wages of personnel. FCC's athletic program seems to have attached high priority to staff benefits to attract better qualified staff. Sample colleges on the other hand, tended to equally allocate funds to both grants and subsidies to students and to personnel salaries.

A realignment of priorities as suggested earlier is warranted for FCC. More funds earmarked for grants-in-aid and subsidies for students might encourage greater student participation while an increase in monies allotted for travel, equipment and supplies could multiply the number of student activities offered in FCC's athletics.

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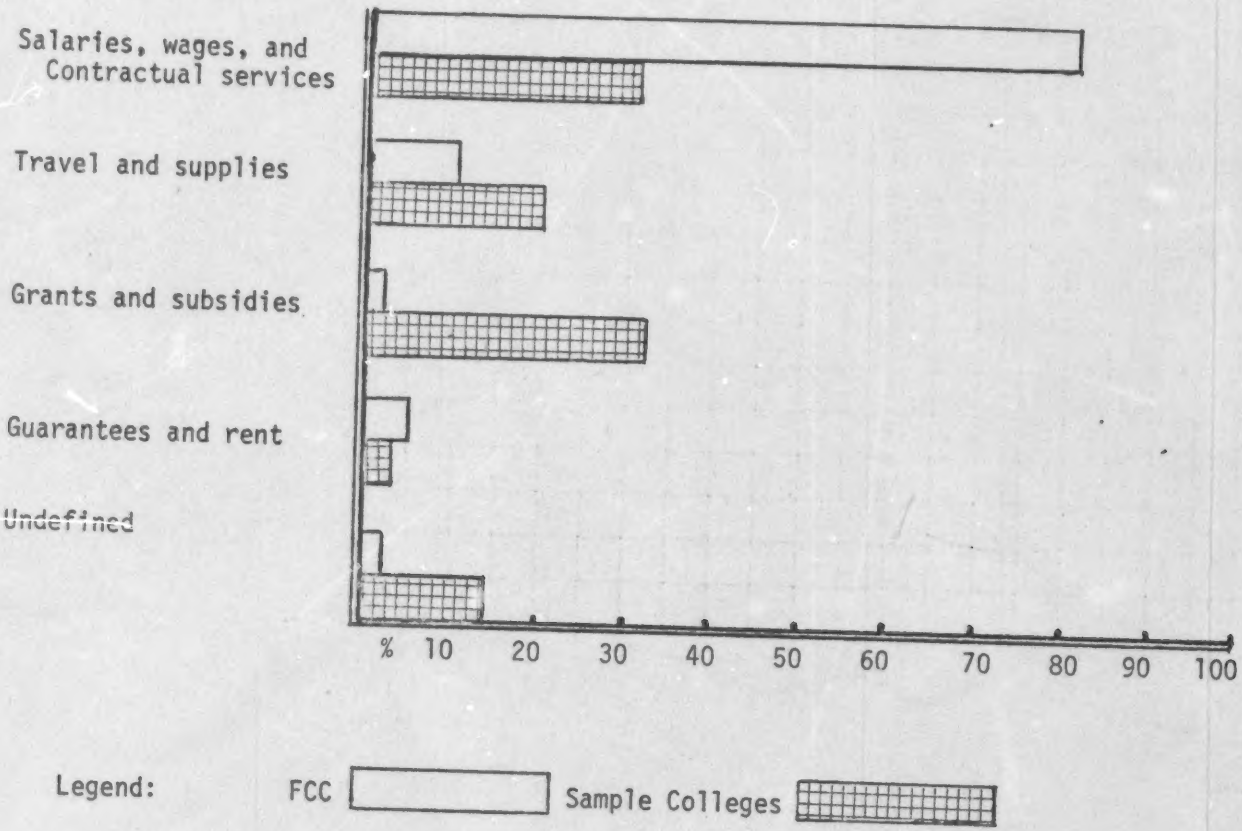
[1] FCC, Department of Athletics Self Study Report, 1973, p.9.

Chart C -- Total Expenditures by Main Object: FCC Compared to Sample Colleges, FY 1973



Comparison of Trends of FCC's Revenues and Expenses to Sample Colleges

General growth patterns for total revenues and total expenses of FCC and the sample colleges are displayed in Chart D. This chart shows that FCC's revenue trend approaches a logistic curve as compared to the linear trend depicted by the average revenue of comparable schools. Expenditure trends for both sets of schools compared are categorically linear which reflect inflation and the spiraling cost of higher education in the '70's.

Table 16 was assembled to recapitulate the net financial results of FCC's operations versus the sample colleges. The relative profit or deficit conditions are shown in column (3) for FCC and in Column (8) for comparable institutions. These figures disclosed the findings that FCC has usually operated within the limits of its financial resources. In fact, FCC has consistently returned surplus funds annually to the D.C. Government and also reported unused funds from its trust fund account except in 1973 when it used a part of surplus monies carried over from earlier years (see column 4). In contrast, the same table shows that on the average, the sample colleges have reported deficits which appeared to be increasing over the years. Raiborn notes that the deficit could partly be explained by the inadequacy of revenues to respond to the increasing costs of operations. Responding colleges also affirmed their

Chart D-1: Comparison of Trends in FCC's Expenses to Sample Colleges, FY 1970-FY 1980

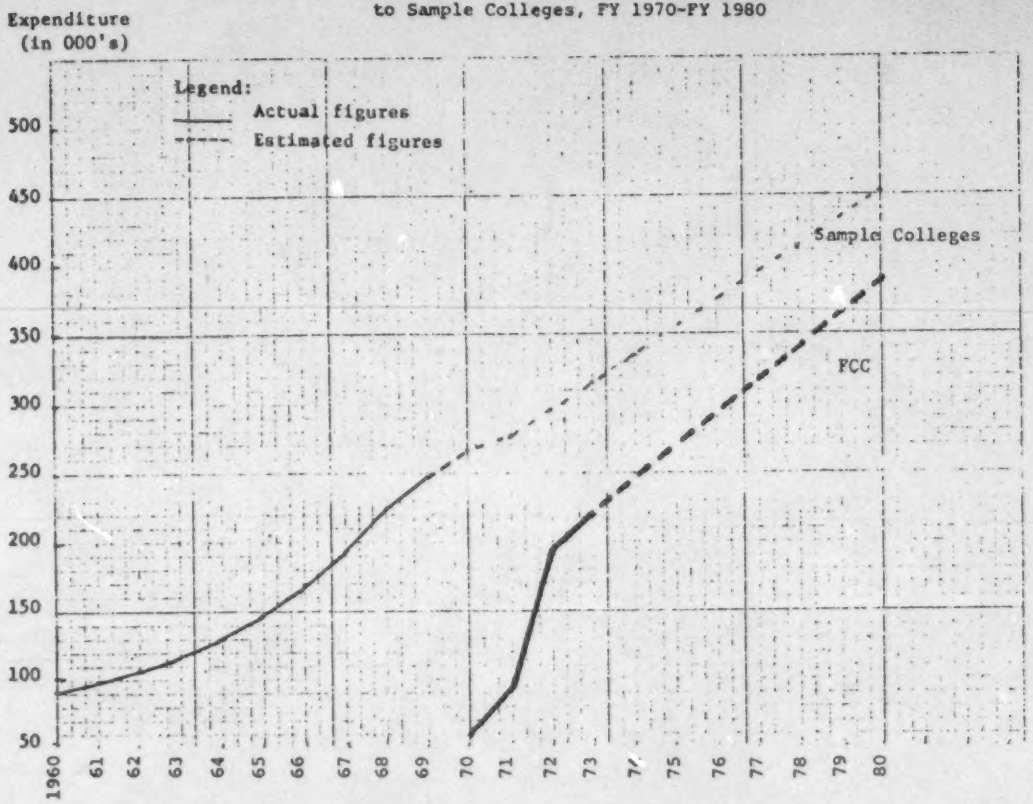


Chart D-2: Comparison of Trends in FCC's Revenues to Sample Colleges, FY 1970-FY 1980

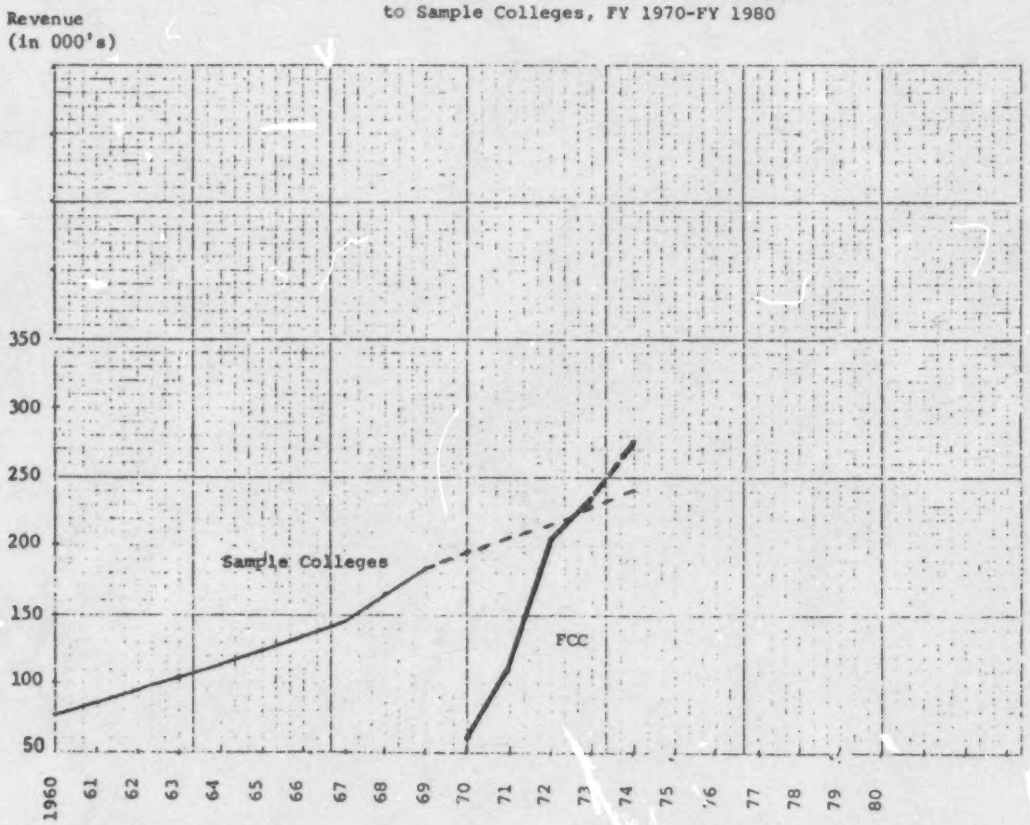


Table 16

Comparison of Actual Revenues and Expenditures at FCC to Sample Colleges,
FY 1971 - FY 1974
(000's)

FY	Federal City College				Sample Colleges		
	Total Revenues (Actual)	Total Expenditures (Actual)	Difference[a] Gross	Net	Total Revenues (Estimated $\bar{x}$)	Total Expenditures (Estimated $\bar{x}$)	Difference
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1971	$111.6	$ 93.0	$ 18.6	$ 13.6	$ 203.7	$ 277.0	- $ 73.3
1972	204.3	191.6	12.7	9.7	216.3	296.4	- 80.1
1973	235.7	220.0	15.7	- 3.7	228.8	315.7	- 86.9
1974	(278.0)	(252.6)	(25.4)	(25.4)[b]	241.4	335.0	- 93.6
Average Annual Rate of Growth	49.7	57.2	-	-	6.17	6.98	-

[a]Gross difference refers to differences between columns (1) and (2) while net difference excludes annual unexpended funds returned to the D.C. Government and revenues derived from ticket sales as well as guarantees and options from football. (See Footnote C to Table 4 of Section II since no record shows that these amounts have been included in the trust fund account.)

[b]Assuming that no surplus funds are returned to the D.C. Government at the end of FY '74 and that all revenues from ticket sales and guarantees and options are also reported to FCC's Accounting Office.

SOURCE: Extracted from Tables 11 and 14.

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difficulty in reaching a level where their programs could be self-supporting. Hence, the sample colleges have to rely on institutional resources to make up for the deficits.[1]

In terms of the average rates of growth, an identical relationship between the patterns of revenues and expenditures exists for FCC and the comparable colleges. Both registered a higher annual rate of increase in expenditures than those in revenues. The marked difference between FCC and the sample was noticeable in their rates of growth. FCC's revenues grew by about 50% and its expenditures by 57% annually. Conversely, sample colleges showed an increase of 6% in revenues in relation to the 7% in expenditures. The high rates of growth are acceptable considering the fact that FCC has just started building its athletic program while a good number of the sample colleges have operated for at least 25 years. These observations simply suggest the necessity of an action plan for FCC to circumvent falling into a deficit spending pattern comon among small colleges in recent years. These observations suggest the need for FCC to seriously consider alternative plans to improve the management and control of its financial resources.

Based on each of the comparative analyses undertaken, evidences support the observations that:

- There is a marked discrepancy between the actual and estimated student participation rates for FCC. Actual participation rates of students at FCC are quite below the estimated rates but the latter rates are comparable to those of sample institutions.

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[1]Raiborn stated that majority of the institutions except those classified as Class A had hardly cited their self-supporting status. Class A members attributed this to their financial autonomy in retaining control over surplus funds and the sufficient revenues derived principally from football. pp. 239-240.

- FCC's intercollegiate athletic program appears adequately financed and is as expensive as sample schools operating similar types of programs.

- As a whole, FCC's expenditure levels were consistently lower than those estimated for sample colleges despite the start up cost of developing this new program.

- FCC's athletic program is highly dependent on government support and student fees while the sample comparable colleges are basically funded by revenues from student fees, gate receipts, and guarantees and options.

- A substantial portion of FCC's budget was spent for personnel salaries and wages as well as for other contractual services in contrast to the sample institutions that allocated more funds to grants-in-aid and subsidies to student; to personnel compensation; and to travel, recruitment and scouting of athletes. A realignment of FCC's priorities such as allocating an adequate portion of its funds for grants-in-aid and subsidies to athletes rather than to personnel and other contractual services might attract good athletes and also motivate more students to participate in sports.

- The projected growth of FCC's revenues will be lower than the estimated rate of increase in expenditures which suggest the need for a system of financial control and planning as a device for minimizing the possibility of deficit spending for the Department.

Section IV will synthesize the relationship of significant trends as reflected in alternative plans recommended to insure the Department's growth and development. Projected expenditure levels to finance the type of athletic program contemplated for the near future are related to untapped sources of revenues. In addition, an action plan that outlines some possible changes on current expenditure priorities is presented. Plans are included to augment administrative efforts and commitment in achieving the program objectives defined earlier by the Department. Special problems inherent in the emerging athletic program at FCC are also discussed with respect to areas of recordkeeping, leadership and management, the necessity for measures of success and the possible effects of increasing opportunity

for women athletes. Major recommendations regarding long-range plans and prospects for change are presented as Section V.

IV. PROJECTED GROWTH FOR THE 80's

accommodating more females in FCC's athletic program.

The key to success for a program of this nature is basically dependent on the skillful management of funds. Alternative plans specifying possible courses of action to arrive at targeted levels of revenue by source as well as the corresponding expenditure commitments are presented in this section. We followed this procedure in order to assist the administration in establishing a comprehensive system of financial control for planning purposes. The suggested plans focus attention on the identification of various aspects of the program that should be modified to improve the quality of service to the students and the community.

Factors considered in the formulation of the plans were:

- FCC's philosophy and goal in developing students' character irrespective of games lost or won;
- FCC's efforts to improve the quality of performance of its team comparable to colleges competing in the Football College Division of the NCAA;
- FCC's financial operations which were kept within the range of its budgetary limitations (thus far no deficits have been reported);
- the widening gap between the rates of growth in revenues and expenditures which might hinder the athletic program's efforts to become self-supporting; and
- FCC's desire to involve more students and community residents in sports which might eventually increase the educational benefits derived from the athletic program.

Using the estimating equations derived in section III, we estimate that FCC's athletic program will cost approximately $385,000 in 1980. Assuming that FCC attempts to avoid the all-too common pattern of deficit spending associated with athletic programs elsewhere, we have prepared two revenue growth rates designed to achieve parity with estimated expenditures for 1980.

Trend A was determined by the estimated expenditure level of $253,000 for FY'74 (i.e., computed on the assumption that the rate of increase in expenditure would be equal to what was reported for FY'72-'73). The linear trend exhibited in earlier years (FY '60-FY'69 for sample colleges and FY'70-FY'73 for FCC) was likewise assumed to continue the following periods.

Trend B represents the rate at which annual revenues will have to increase to meet the expected target for 1980. Chart E graphically represents the linear relationship between the actual values of $220,000 spent in 1973 to the projected amount of $385,000 for the type of program FCC is expected to conduct by 1980. The estimated expenditure values in Trend B are slightly lower than those in Trend A. Assumming that FCC acquires the funds necessary to meet expenses, it is essential that the administrator determine the minimum income that can be expected from each main source. This procedure would enable him, if necessary, to seek additional sources of revenues. This concept was applied to four alternate plans for obtaining funds (see Table 17). The assumptions and conditions

CHART E: Pattern of Total Revenues Required to Meet Projected Expenditures for FCC in 1980

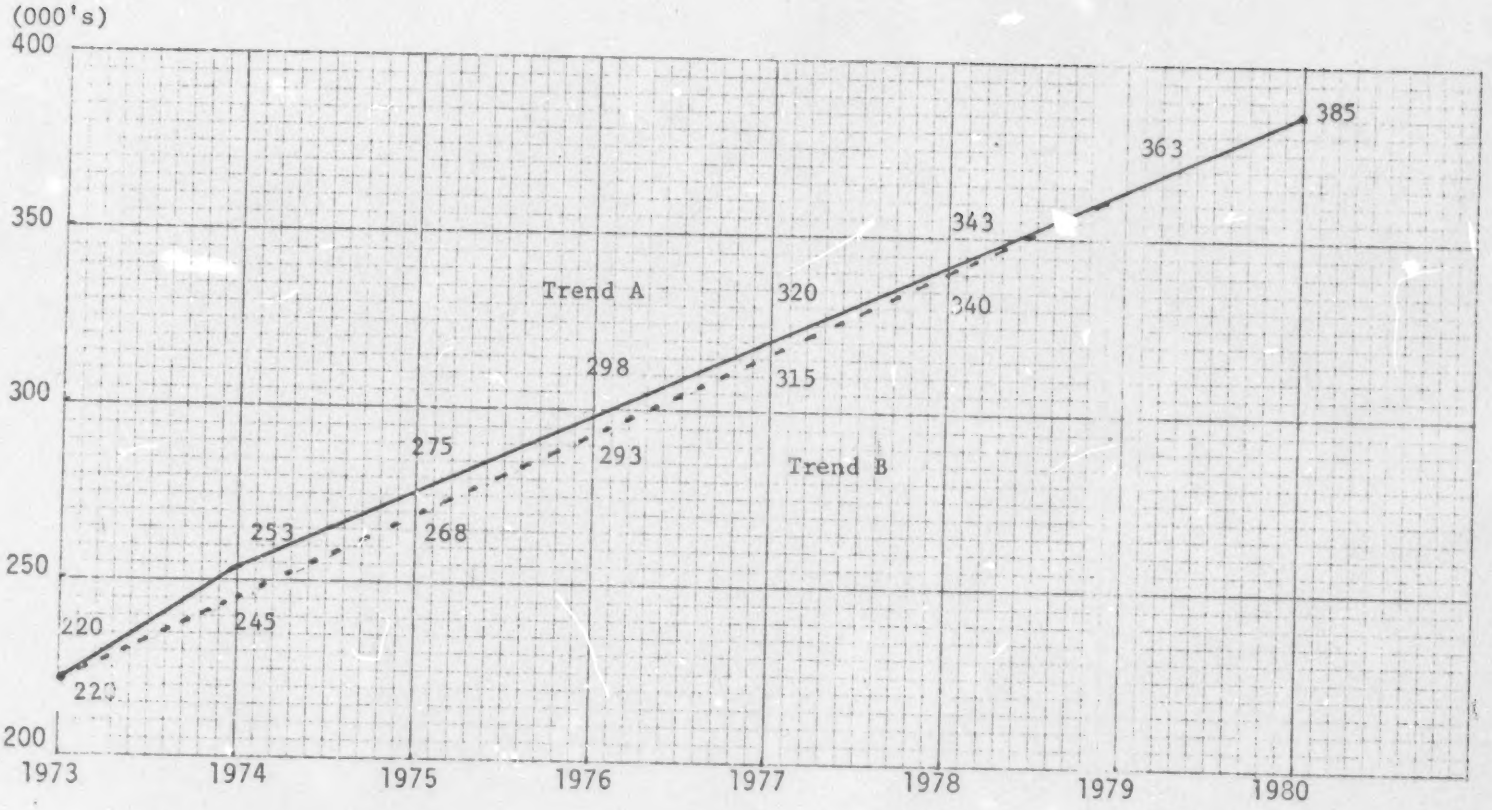

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Table 17

FCC's Actual and Projected Revenues Distributed by Source, Plans A,B,C, and D
FY 1974 Through FY 1980
(000's)

Plan C (FY 1980 based on national model with lower levels of expenditure for FY 74 - FY '78)

Revenue Source	Actual 1974 (Amt)[a]	1974 (%)[b]	Projections 1975 (Amt)	1975 (%)	1976 (Amt)	1976 (%)	1977 (Amt)	1977 (%)	1978 (Amt)	1978 (%)	1979 (Amt)	1979 (%)	1980 (Amt)	1980 (%)	Average Ann. Rate of Growth	Conditions Required
Student Assessments	$ 112.7	46	$ 123.3	46	$ 134.7	46	$ 141.7	45	$ 153.0	45	$ 163.3	45	$ 169.4	44	- 0.34	Assumed national experience applies to FCC.
Government	125.0	51	120.6	45	114.3	39	104.0	33	95.2	28	83.5	23	69.3	18	- 5.50	
Ticket sales, guarantees & Options	7.3	3	16.1	6	26.4	9	37.8	12	54.4	16	72.6	20	92.4	24	+ 3.50	
Others	0	0	8.0	3	17.6	6	31.5	10	37.4	11	43.6	12	53.9	14	+ 2.33	
Total	245.0	100	268.0	100	293.0	100	315.0	100	340.0	100	363.0	100	385.0	100	--	

Plan D (FY 1980 based on factors required to develop a quality program with lower expenditure levels for FY '74 - FY '78)

Student Assessments	$ 112.7	46	$ 123.3	46	$ 137.7	47	$ 148.0	47	$ 163.2	48	$ 177.8	49	$ 192.5	50	+ 0.67	Quality programs.
Government	125.0	51	123.3	46	120.1	41	116.6	37	112.2	33	105.3	29	96.2	25	- 4.33	Other priorities.
Ticket sales, guarantees & Options	7.3	3	13.4	5	20.5	7	31.5	10	44.2	13	58.1	16	73.2	19	+ 2.67	Very good development staff.
Others	0	0	8.0	3	14.7	5	18.9	6	20.4	6	21.8	6	23.1	6	+ 1.00	Good publicity.
Total	245.0	100	268.0	100	293.0	100	315.0	100	340.0	100	363.0	100	385.0	100	--	

[a]See Table 12.

[b]Assumed the same percentage distribution of actual expenditures by revenue source for the previous year.

required to yield the annual targeted amount from each source are summarized by plan in Chart F.

Plan A was essentially constructed on the basis of the experience of sample institutions operating programs comparable to FCC's. Consequently, this plan is particularly dependent on income derived from student assessments, ticket sales, guarantees and options, concession sales, advertisements and other activities concomitant to participating in the NCAA Football College Division.

The data presented in Plan A, Table 17, show the percent distribution of income that should be obtained annually from the various revenue sources. In view of the College's current stage of development, we feel that adopting this national pattern of obtaining income appears to be untenable for FCC by 1980. Plan A nevertheless was prepared to identify some of the problems we will be confronted with if we wish to achieve the national norm. A sharp reduction of funds provided by the D.C. Government would need to be offset through substantial and consistent growth of income derived from gate receipts, guarantees and options, concession sales, advertisements, and alumni contributions. This strategy presupposes a competitive type of program.

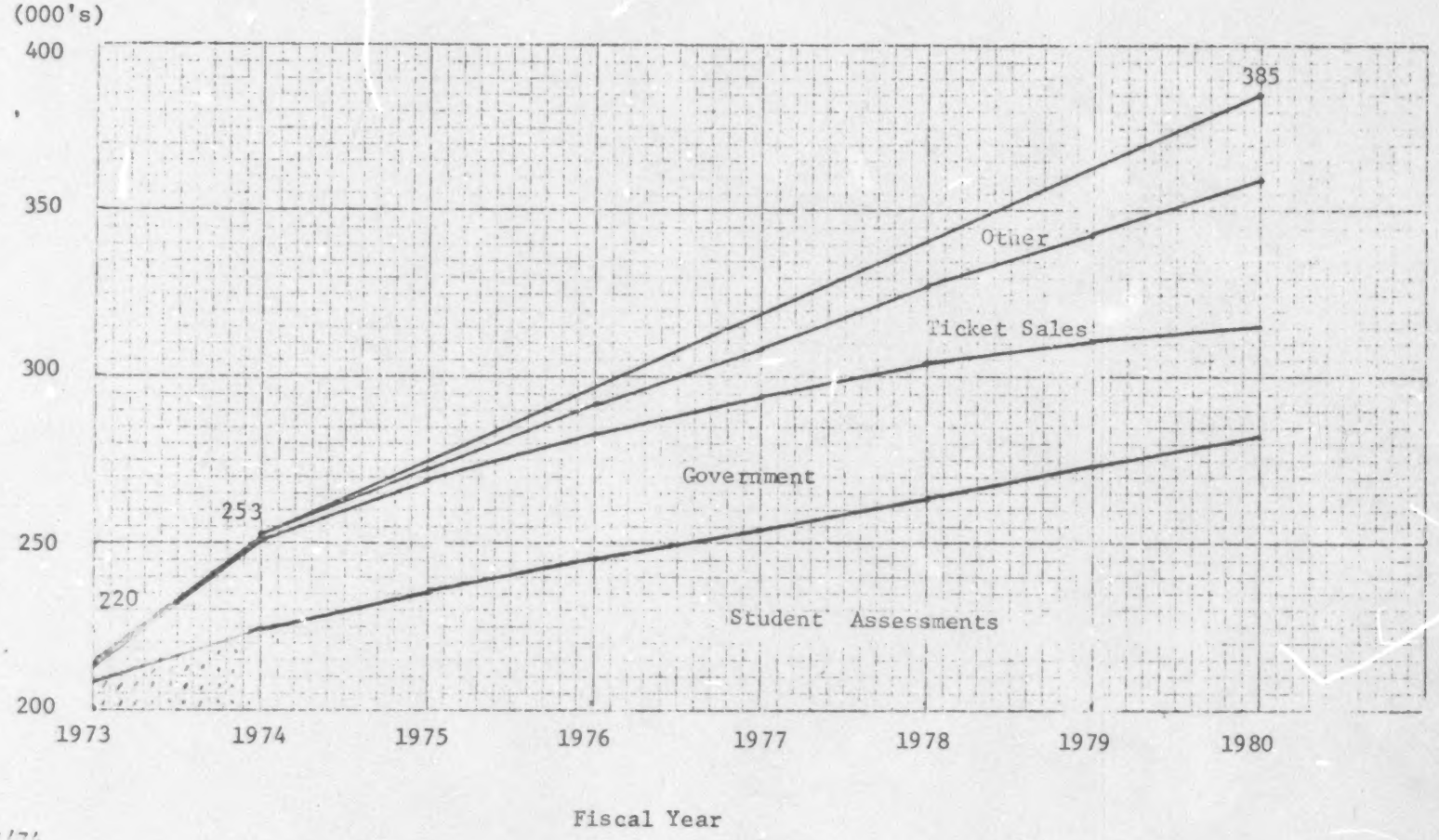
Trends of revenues that could be derived from each source as projected in the percentage distributions specified in Plan A of Table 17 are graphically represented in Chart G. This chart indicates that under the current circumstances, we cannot recommend the implementation

Chart F

Assumptions and Conditions Required for Obtaining the Suggested Proportions of Revenues by Source, Plans A, B, C and D

Alternate Plans	Assumptions	Conditions Required	Conclusion
1. Plan A	a) Annual expenditure levels based on Trend A. b) Declining proportion of revenues from student fees and the government replaced by funds from ticket sales, advertisements and other unused sources. c) This model relies more on student fees, ticket sales, quarantees and options rather than on government subsidy.	a) That the % distribution of revenues by source reported for sample institutions will be a reality for FCC by 1980. b) Quality of program should parallel Class B institutions.	Not practical for FCC considering its present stage of development.
2. Plan B	a) Annual expenditure levels based on Trend A. b) Slight and gradual proportional increase of revenue from all sources except from the government because of other educational priorities. c) This model is still dependent on student fees and the government.	a) Dependent on an excellent staff for its growth and development. b) A good public relations office should continuously inform all sectors of the college and community concerning its activities.	Recommended for implementation.
3. Plan C	a) Annual expenditure levels based on Trend B. b) Same as Plan A c) Same as Plan A	a) Same as Plan A b) Same as Plan A	Not feasible at this time because FCC's Athletic Program is still in its infancy.
4. Plan D	a) Annual expenditure levels based on Trend B. b) Same as Plan B c) Same as Plan B	a) Same as Plan B b) Same as Plan B	Highly recommended for implementation.

Chart G: FCC's Annual Total Revenues Distributed by Source, FY '73 through FY '80
(Plan A) Based on the National Model



of Plan A at FCC because of the time factor. Additional time is required to improve the performances of the teams.

Plan B accounts for factors necessary to develop a quality program. This plan recognizes the need to exploit the more common sources of income (i.e., ticket sales, guarantees and options, etc.) used by other schools. The scheme suggested for accomplishing this goal rests on improving the performances of our teams. Such an approach relies on a versatile, efficient staff; outstanding athletes; and a well managed publicity office. Staff and athletes of this calibre could eventually generate funds from revenue producing sports, e.g., football and basketball. Changes suggested in the proportional share of each source of revenue are slight and gradual. Thus, this approach appears to be more feasible for FCC while its teams' competitive capacity are being improved. The average annual rate of increase in income to be collected from ticket sales and guarantees and options would be about 2.7% and appears more reasonable than the 3.5% suggested in Plan A. While revenues increase through ticket sales and guarantees, we also expect income from student assessments and from other sources to grow (0.7% and 1% respectively). Plan B retains the practice of having the athletic program supported mainly through student fees and government subsidies. This plan appears consistent with the public service objective of FCC.

The data on Plan B, which is exhibited in Table 17, indicate that the combined student fees and the appropriated budget would decline from 97% in FY'74 to 75% by 1980. The comparative growth of annual contributioons

expected from each of the remaining sources as suggested in Plan B is shown in Chart H.

As a part of FCC's efforts to make the athletic program financially independent of subsidies from the local government and considering the features cited in Plan B, it is suggested that FCC should seriously consider the possible implementation of this plan. An illustrative example on how any of these plans may be specifically defined for its implementation will be presented later in this section.

Two additional plans are included in Table 17 to expose administrators to a range of strategies that might assist them in accelerating the development of intercollegiate athletics at FCC. Plans C and D took into account the scarcity of funds for athletics in recent years as documented in the slower growth of revenues at a national level when compared to cost of operartions. Plans C and D were prepared using the Trend B expenditure projections. The same set of assumptions and conditions stipulated for Plan A was applied to Plan C. Note that the average annual rates of growth expected from each source are identical for Plans A and C (see Table 17). Similarly, Plan D utilized the assumptions and conditions required that were applied to Plan B. As such, the average annual rates of growth from each revenue source for both B and D are equal.

A perusal of the figures derived for Plan C as shown in Table 17 and Chart I reveals the shift of financial responsibility from the government to ticket sales, guarantees and options, and other sources.

Chart H: FCC's Annual Total Revenue Distributed by Source Based on Factors Required to Develop a Quality Program, FY '73 through FY '80 (Plan B)

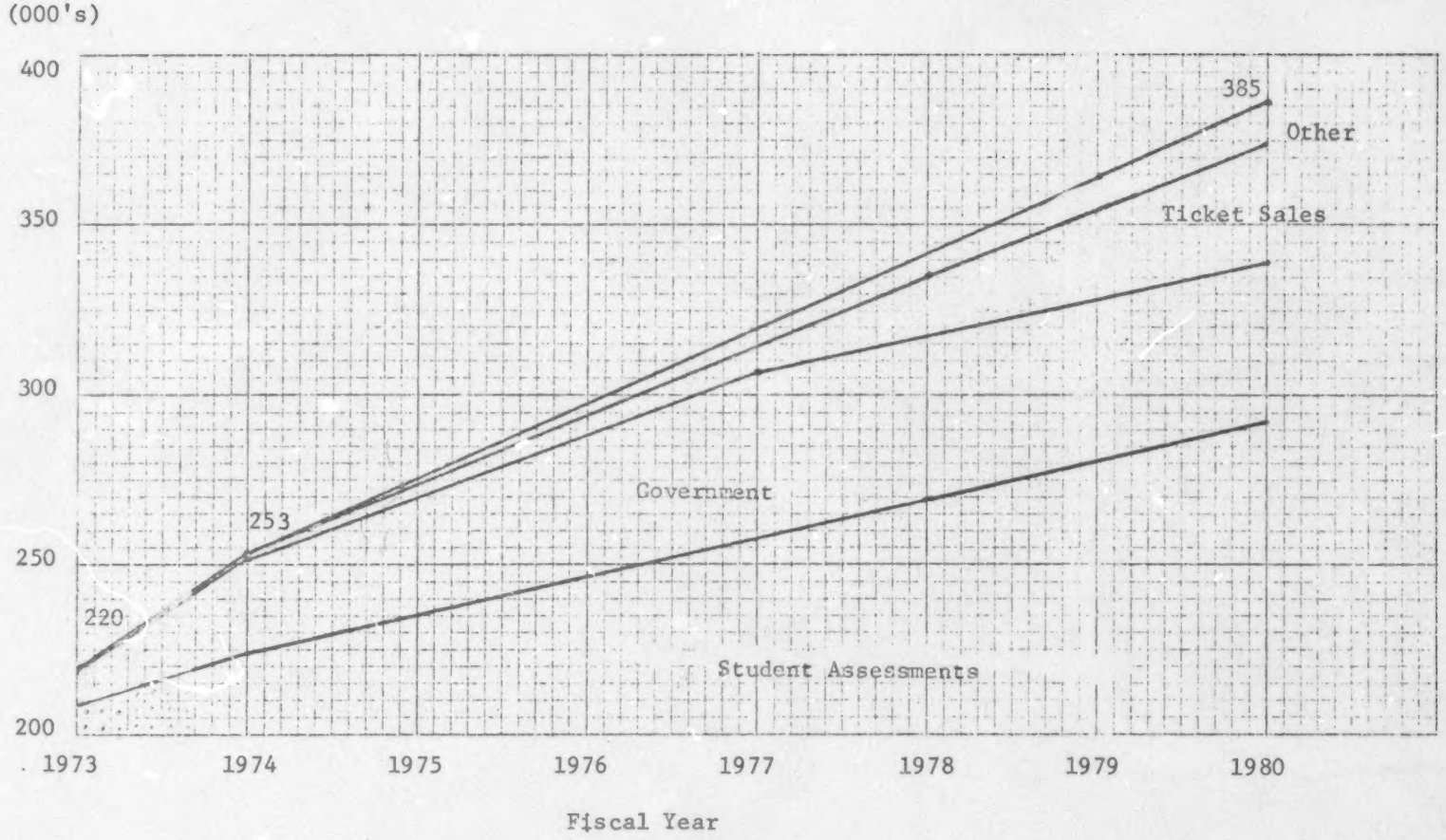


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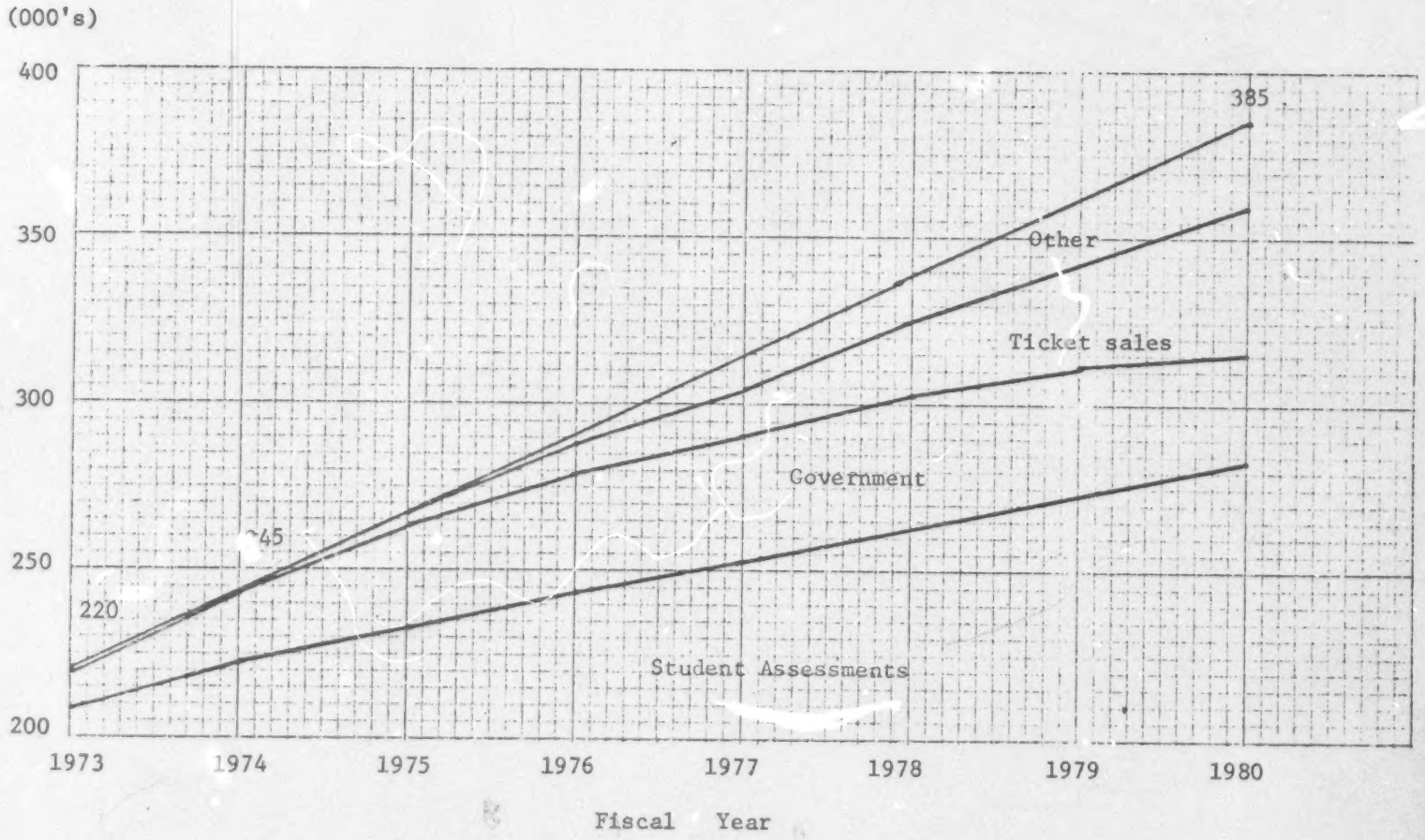
Chart I: FCC's Annual Total Revenues Distributed by Source Based on the National Model FY '73 through FY '80 (Plan C)



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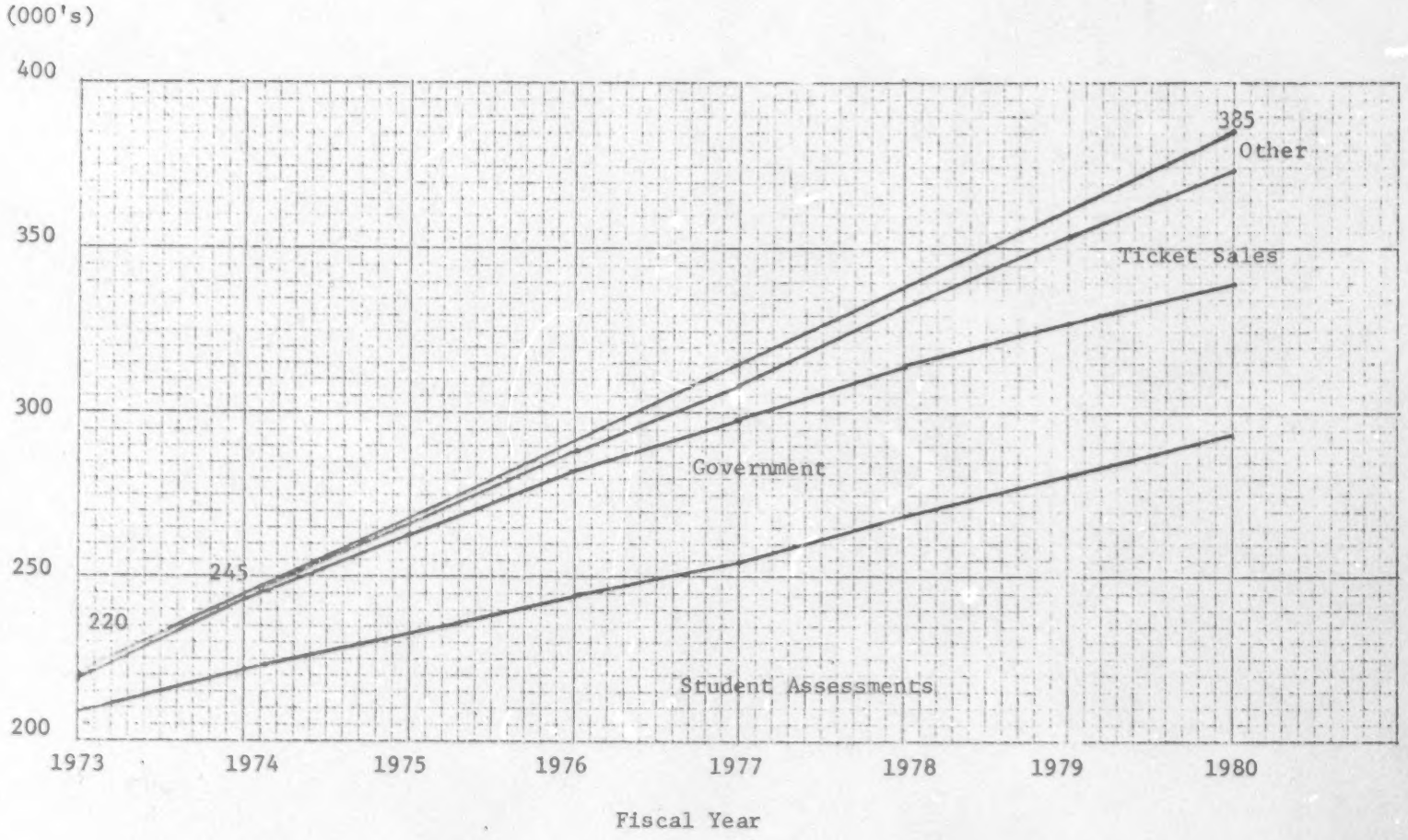
An estimated annual rate of growth of about 5% appears to be quite high at the same time difficult for FCC to obtain from the sources enumerated, since less than 2% of its total revenues has been raised from these sources in recent years. Although expenditure levels recommended in Plan C are lower than those in Plan A, it is felt that Plan C is not feasible for FCC at this time.

Plan D, which was computed on the basis of lower expenditure levels of $245,000 in 1974 to about $385,000 in 1980, is perhaps the best choice of a strategy that might be adopted to guide the development of the program during the next six years. In this plan the principal sources of funding athletics are the student fees and the local government. However, income from other sources commonly used by self-supporting athletic programs (such as the Class A institutions) are also recommended for expansion. The feasibility of implementing Plan D appears highly encouraging due to the gradual and consistent shift of financial burden from FCC's institutional budget (derived from the local government) to revenues obtained from the athletic events. Plan D further relies on the condition that the projected competitive status of FCC's program materializes as planned and an effectual public relations office communicates these accomplishments to FCC's student body, alumni, friends, and the general public. The impact of the decreasing proportions of income collected from students and the government in the future is noticeable in the graphic representation of this model in Chart J.

We have further analyzed significant factors within FCC's

Chart J: FCC's Annual Total Revenues Distributed by Source Based on the Factors Required to Develop a Quality Program, FY '73 through FY '80 (Plan D)



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environment that might enhance the possibility of raising these funds through Plan B or Plan D. The targeted amounts for 1980 (which are identical for all plans) were isolated in Chart K for further analysis. About $192,500 is expected to be collected from student assessments alone. A breakdown of the expected quarterly income from student fees was computed, using a projected enrollment size of 10,000 FTE students for 1980. Quarterly enrollment trends at FCC support the observation that normally the largest number of students are enrolled during the fall quarters, and the smallest number are enrolled during the summer sessions. In fact, the enrollment during the winter and spring quarters constituted about 96% of the fall enrollment, while the summer enrollment consisted only of approximately 62% of the fall enrollment.[1] Accordingly, estimated revenues that will be collected quarterly as student fees by 1980 are presented in Table 18. These athletic revenues were computed on the basis of $5.50 per student. This is the amount that the Board of Higher Education stipulated for the incoming academic year 1974-75.[2] Pursuing this approach, it appears that it will not be necessary to increase student fees. Considering the prospect of continued inflation, the actual cost of athletics to FCC's student body would decline.

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[1]Assuming that the initial years of FCC were atypical, because it was just being organized. We have computed the relationship between the enrollment size during the fall quarter to the other academic quarters with the use of data for FY'71-FY'74.

[2]D.C. Board of Higher Education, "Tuition Fees: FCC and D.C. Teachers College", Resolution No. 74-14, May 21, 1974.

Chart K

FCC's Estimated Revenues[a] by Source and Conditions Required to Realize Recommended Limits, FY 1980

Revenue Sources	Estimated Revenue (000's)	Conditions Required
Student Assessments	$ 192.5	A quarterly athletic fee of $5.50 per capita would be sufficient to raise the required amount estimated on the basis of 10,000 FTE students.
Government	96.2	Less funds requested from the D.C. Budget appropriated for FCC's use because of new and other program emphasis on higher education for the 80's.
Ticket sales, guarantees and options	73.2	Better team performance, scheduling of games with prestigious opponents, revised policy on pricing of tickets because of the emphasis on revenues that could be collected through gate receipts rather than just inviting the public to root for FCC.
Other sources	23.1	Scheme for fund raising drives and good public relations office.
TOTAL	385.0	

[a]Extracted from either Plan B or D of Table 17.

Table 18

Estimated Quarterly Federal City College Enrollment and Athletic Revenues to Be Collected from Student Fees, 1980

Quarter	Expected Enrollees		Athletic Fee Per Student[a]	Athletic Revenue
Fall	10,000	x	$5.50	$55,000
Winter	9,600	x	$5.50	52,800
Spring	9,600	x	$5.50	52,800
Summer	6,200	x	$5.50	34,100
Total	35,400		--	$194,700

[a]Actually, the estimated athletic fee per student needed to obtain $192,500 was about $5.44.

One should also note that the amounts requested from the D.C. Government for the athletic program (Table 17) will consistently decline over the next six years. This proposal appears desirable in light of the prospect of new and/or expanding programs competing for their share of resources during the next decade.

Funds collected from guarantees and options are normally negotiated through contracts. Payments from this source are highly dependent on such factors as the popularity, the competitive performances of teams, and the total number of spectators anticipated. At this time, it is almost impossible to predict funds that might be available from this particular source by 1980 because of the nonavailability of records on these transactions in earlier years.[1] This problem is magnified due to the absence

[1]Bert W.C. Smith, Jr., "Athletic Committee of FCC audit Report", Feb. 15, 1974, p.6.

of a list of the scheduled games by sports for the near future. Under the circumstances, we had to resort to the national experience reported in Raiborn's study. Information collected by Raiborn indicates that the funds received by the sample institutions from guarantees and options paid by opposing teams consisted of about one-third of their total ticket sales.[1] Assuming that this proportion would also apply to FCC's program by 1980, we would expect about one-third of $73,200 which would be equal to an income of $24,000 from guarantees and options. The difference would therefore be obtained from ticket sales from FCC games. Each of these figures may be construed as targets for development of future programs.

In discussing alternate plans for raising at least $48,800 from ticket sales by 1980, one must consider FCC's current and principal motives for collecting fees from games. Charges of one dollar per game are presently collected not for monetary gains for the Department but for the purpose of building loyal rooters from various sectors of the D.C. community (FCC students, faculty, and staff are admitted to games without charge upon presentation of their identification cards).

Limiting our inquiry to the revenue producing sports, i.e., football and basketball, FCC's Athletic Department's records show the following estimates on the number of spectators per game during the past season.

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[1]Based on data reported by Class B institutions for FY'65-FY'69, Raiborn, op.cit., Table 2.3, p.36.

Table 19

Federal City College's Estimated Revenues[a] from Ticket Sales by Sport, AY 1973-74

Sport	No. of Home Games	Estimated Revenue
A. Football (4,550 spectators per game at $1.00 per head)	5	$22,750
B. Basketball		
• Men's (100 spectators per game at $1.00 per head)	10	1,000
• Women's (300 spectators per game - assumed at $.50 per head)[b]	10	1,500
Total		$25,250

[a]Source: Mr. James McCannon, Federal City College Department, Athletic Department, June 6, 1974.

[b]Tickets are seldom sold for women's games except for international games. On one occasion, the tickets were priced at $2.00 each.

The estimated total revenue of $25,250 ticket sales (Table 19) for the past season is inflated because the audience size included the nonpaying members of the FCC community as well as the paying spectators from the metropolitan area. Not having access to more objective data for estimating funds that might be obtained from ticket sales, we will assume that the average number of paying spectators per game by 1980 will be equal to the total audience size reported

for 1974. Granting that the performances of FCC's teams have improved and the scheduling of games with prestiguous opponents is made possible, FCC will be in a position to increase the price for games played by the male athletes and begin charging for games played by the female athletes. The changes in ticket sales would be justifiable on the basis of inflationary factors.[1] For example, tickets for male sports would be $2 per head, while $1 per head seems reasonable for female sports. This arrangement would generate about $50,500 for the Athletic Department. This amount is within the range of the $48,800 which can be expected from this source.

Chart K also postulates that FCC might be in a position to raise a sum of $23,100 from minor sources of revenues such as alumni contributions, concession rental and sales as well as through program advertising and sales. Of course, one has to acknowledge that success in this area will be dependent on the implementation of a successful fund-raising scheme and a well-managed public relations office. Due to the absence of records prior to 1974[2] indicating the income from the above sources, we assume that the amounts reported by the sample institutions might hold true for FCC by 1980. Raiborn reports that the percentage of total revenues obtained by the sample colleges from these minor sources were: 8% from alumni contributions; 2% , concession rental and sales; and 2% from program advertising and sales. Since FCC is a

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[1]Plans B and D imply that this increase in ticket prices should be gradual and consistent, 20% annual increase might be acceptable and would help to attract the same audience size.

[2]Smith, op. cit., pp. 6,7.

new institution, it has only about 1,400 alumni. It would be more feasible to direct fund-raising efforts towards residents of the Washington Metropolitan Area who are loyal supporters of FCC.

In the areas of program advertising and concession sales, it is suggested that a skillful business manager and an efficient public relations officer could possibly raise funds to match those reported by the sample institutions. Consequently, deriving 4% of total revenues ($385,000) from this source would yield FCC about $15,400 by 1980. While this amount is below the $23,100 suggested income from minor revenue sources, it indicates that at the very least only 2% of the revenues for 1980 might be derived from alumni and other supporters.

The preceding illustrative example documents the feasibility of using either Plan B or D as a decision-making device for the Athletic Department and its committee. The assumptions and conditions required to assist the adminstrators in facing some specific problems are also pointed out to insure success in its implementation.

If the Athletic Department succeeds in raising funds as anticipated in Plans B and D, it does not necessarily follow that the goals of building the program will be achieved. Therefore, we found it essential to examine another critical area which has to be managed and controlled wisely by the athletic director and the athletic committee.

Earlier, our analysis revealed that FCC's program priorities as manifested in the proportions spent on the various expense categories appeared to be unlike the sample institutions. For instance, FCC spent four-fifths of its funds on personnel salaries and benefits, while other institutions spent only one-third of their funds for this purpose. Furthermore, the sample institutions devoted 32% of their income on grants and subsidies to students in contrast to the 2% spent by FCC.

In view of this disparity, there seems to be a need for an action plan to provide direction and control of spending in the department in the future. The assumptions and factors considered in the recommended changes for revising the proportional distribution of funds by main expenditure category are detailed in Chart L. Both plans were also computed on the basis of Trend A expenditure levels.

Plan I was formulated on the assumption that FCC's expense distribution should be revised to approach the expenditure profile reported by the sample institutions. This presupposes that the reduction in the proportion of funds for personnel salaries and wages by 8% annually and prorated among the three other expense categories would be practical and beneficial to FCC's developing program. Furthermore, this plan places higher priority to allotments for students needs and activities of the department. This will have to be supported with an institutional policy that might eventually compare with those offered by similar colleges and

Chart L

Assumptions and Factors Related to Recommended Changes for Proportional Redistribution of Resources, Plans I and II

Alternate Plans	Assumptions	Factors Related to Recommended Changes	Conclusion
Plan I	a) Annual expenditure levels based on Trend A.	a) That the program priorities reported by the comparable institutions as shown in the % distribution of expenses by object will be attained by FCC in 1980	Impractical for FCC at this time because it is still building a quality program & the difficulty of maintaining a good staff with salaries that are non-competitive.
	b) Consistent and drastic decline in the proportion of funds allotted to salaries and contractual services but a marked and persistent proportional increase in funds earmarked for grants & subsidies to students is assumed.	b) Formulation of FCC policies that would increase financial motivations to students that might parallel those offered by the national sample.	
Plan II	a) Annual expenditure levels based on Trend A.	a) Problem of attracting the best qualified staff to develop the program if salaries are not competitive to offset the high cost of living in the D.C. area.	Recommended for implementation.
	b) Moderate and gradual increase in proportions spent on all main expense categories except for the declining rates of allotments on personnel salaries and contractual services.	b) A commitment to recruitment and scouting and financial motivations to attract good prospective athletes.	

thus offer increased financial motivation to students.

The computed figures for Plan I in Table 20 show a drastic reduction in the proportion of funds spent on salaries and contractual services. In fact, Plan I suggests that this proportion be reduced from 81% of the total expenditures to 31% by 1980. In contrast, the proportion of expenses for grants and subsidies to students would have to increase from 2% to 32% of total expenses during the same period. Likewise, the category on travel and supplies and "other expenditures" would also increase from 17% to 37%. The above figures are depicted in Chart M.

Plan II was designed to overcome the drastic changes shown in the preceding plan. Plan II considers such factors as the high cost of living in D.C., difficulties in keeping competitive salaries to maintain the necessary personnel to build the program, and the promotional efforts required to attract trainable students. This plan suggests a moderate and gradual increase in proportions to be spent on grants and subsidies to students (+ 4% annually), about 2% for travel and supplies, while about one-hald of one percent annually is recommended for "other expenses". About 6% is suggested for the annual decline in the proportion of funds allotted to personnel salaries and benefits and other contractual services. Plan II appears to be more practical for implementation at FCC because of the gradual but consistent shift of financial emphasis from personnel interests to student involvement.

Chart M: FCC's Annual Total Expenditure Distributed by Main Object Based on the National Model, FY '73 through FY '80 (Plan I)

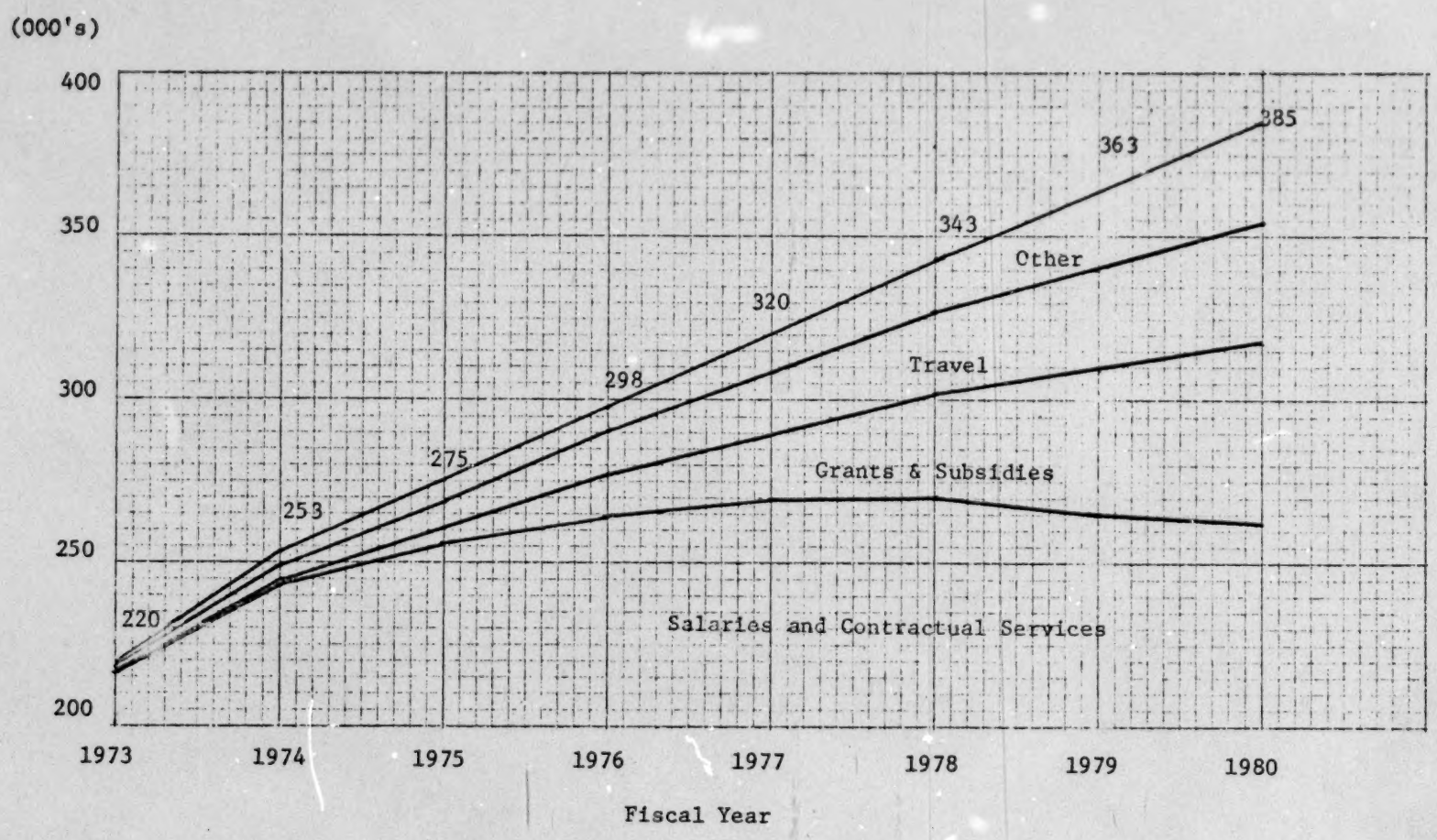

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Table 20

FCC's Actual and Projected Expenditures Distributed by Alternate Plans in Expense Priorities, FY '74 Through FY '80
(000's)

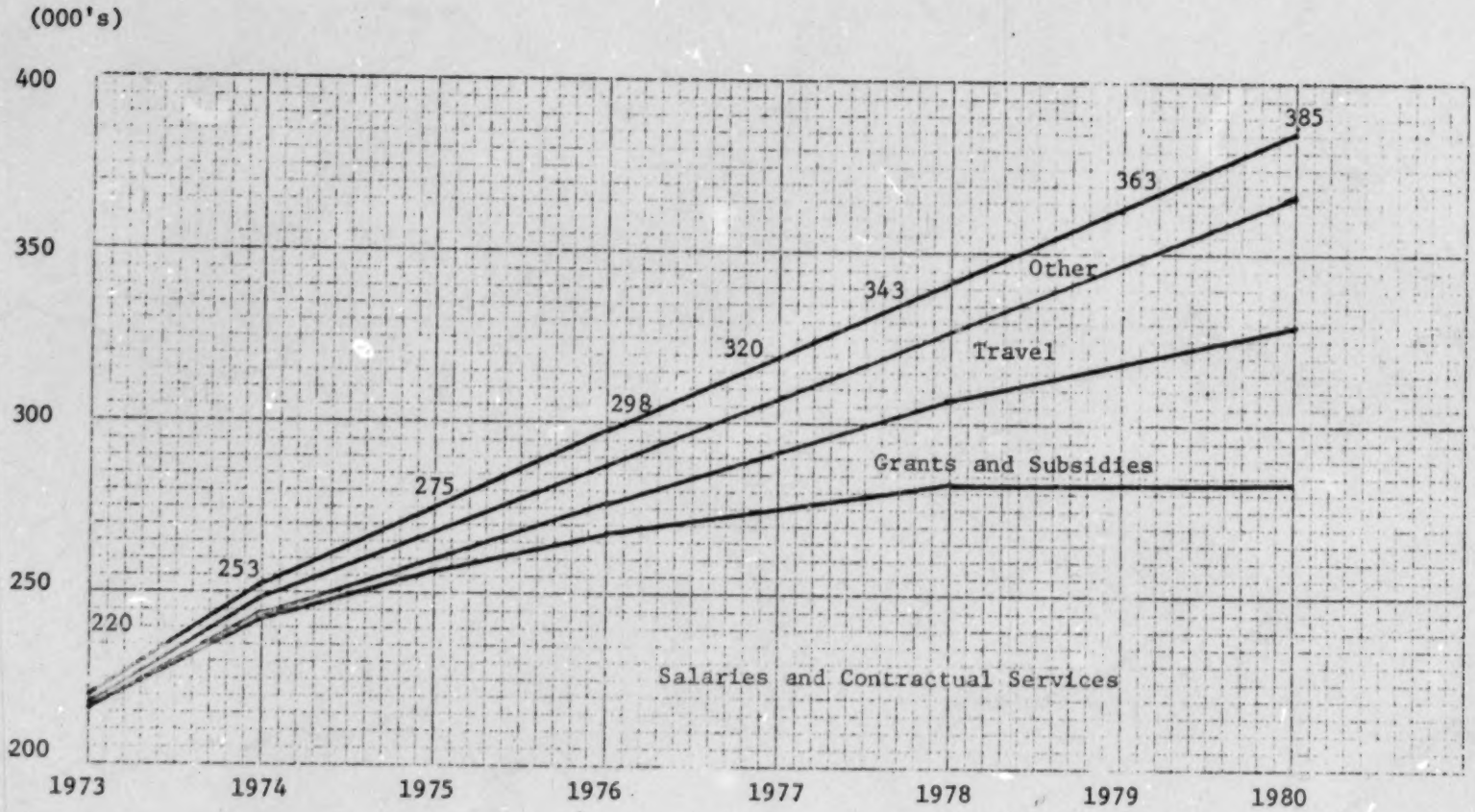
Plan I (FY '80 percent distribution based on national model)	Actual		Projections											
	1974		1975		1976		1977		1978		1979		1980			
Expenditure Object	(Amt)[a]	(%)	(Amt)	(%)	(Amt)	(%)	(Amt)	(%)	(Amt)	(%)	(Amt)	(%)	(Amt)	(%)	Average Ann. Rate of Growth	Factors Related to Recommended Changes
Salaries & contractual Services	$ 204.9	81	$ 200.8	73	$ 193.8	65	$ 182.4	57	$ 168.1	49	$ 145.2	40	$ 119.4	31	- 8.33	Assumed that the national experience applies to FCC.
Grants and Subsidies	5.1	2	19.2	7	35.7	12	54.4	17	75.5	22	98.0	27	123.2	32	+ 5.00	
Travel and Supplies	25.3	10	33.0	12	41.7	14	51.2	16	61.7	18	69.0	19	77.0	20	+ 1.67	
Other	17.7	7	22.0	8	26.8	9	32.0	10	37.7	11	50.8	14	65.4	17	+ 1.67	
Total	253.0	100	275.0	100	298.0	100	320.0	100	343.0	100	363.0	100	385.0	100	---	
Plan II (FY '80 percent distribution based on factors required to develop a quality program)																
Salaries and contractual Services	$ 204.9	81	$ 206.2	75	$ 205.6	69	$ 201.6	63	$ 195.5	57	$ 185.2	51	$ 173.3	45	- 6.00	High cost of living in D.C. & the need to attract best qualified staff for program development.
Grants and Subsidies	5.1	2	13.8	5	26.8	9	41.6	13	58.3	17	76.2	21	96.2	25	+ 3.83	
Travel & Supplies	25.3	10	31.2	11	35.8	12	44.8	14	54.9	16	65.3	18	77.0	20	+ 1.67	
Other	17.7	7	24.8	9	29.8	10	32.0	10	34.3	10	36.3	10	38.5	10	+ 0.50	
Total	253.0	100	275.0	100	298.0	100	320.0	100	343.0	100	363.0	100	385.0	100	---	

[a]Assumed the same percentage distribution of actual expenditures by object for the previous year.

Data on Plan II, Table 20 show that the proportion committed to salaries and contractual services would decline from 81% to 45% of total expenses. The persistent increases are registered for grants and subsidies to students (2% in 1974 to 25% by 1980); travel and supplies grew from 10% to 20%, while "other expenses" also changed slightly from 7% to 10%. These recommended changes are vividly displayed in Chart N to demonstrated the gradual and consistent shift of priority from staff interests to student participation.

To translate the Plan II into action, it will be necessary for the athletic director to develop and maintain a manning chart that would help him to identify the nature and function of personnel needed to work full time and to specify functions that can be performed part time by other personnel within the FCC community. A drastic reduction in expenses for other contractual services could be made possible with the formulation of policy changes by the D.C. Board of Higher Education regarding the provision of support services to the athletic department. Such policies should enable the Athletic Department to depend on talents and services available within the College rather than relying on outside contractual services. Some of the tasks that may be undertaken by other departments at FCC are: the medical aspects of the athletic program should be under the supervision of FCC's full-time school physician, the concession sales and rental managed by the Division of Student Affairs, advertisement and publicity arranged by the Office of Public Affairs, busing service maintained by the

Chart N: FCC's Annual Total Expenditure Distributed by Main Object Based on Factors Required to Develop a Quality Program, FY '73 through FY '80 (Plan II)



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Business Services, and the auditing of financial operations under the direction of the Office of Financial Management. Performance of the above-mentioned tasks within the College rather than by outside contractors would result in savings that should financially benefit the students. These savings should be earmarked for grants and subsidies to students so as to attract and maintain good athletes and to improve FCC's teams performances.

These observations suggest that the key to increasing benefits and to improving services to students while building the athletic program is the control on the size and types of full-time personnel and the cooperation of other sectors of the college community.

These alternate plans in the area of raising funds for the Athletic Department as well as the disbursement of funds were conceived to assist policy makers in the achievement of program goals. Since these plans were designed on the basis of the relationship between FCC's past experience with those of sample institutions, we will devote the following section to ways of minimizing the effects of specific problems on the growth and development of the program.

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